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The Nation's Business

More Small Investors Needed in This Loan

During the coming year Canada is faced with the gigantic task of finding $3,500 millions to pay the bills of national government. Included is a billion dollars of aid to Britain and $2,000 millions of direct war costs.

Not more than half of the $3,500 millions is expected from taxation. The remainder, $1,750 millions, will have to be borrowed out of the savings of the people.

This month's Second Victory Loan, with an objective of $600 millions, will test our ability as a nation to make the sacrifices necessary to meet such a financial challenge. It will be followed by other loans, possibly a billion dollar loan before this year is out. But the February loan is the one that will really test the people of Canada.

The loan is launched under none too promising circumstances. The "political" atmosphere is bad, because of the weakling action of the government in throwing into public discussion the controversial issue of the conscription plebiscite. The cabinet asks sacrifices of the people and will not risk its own political fortunes on an obviously courageous and essential course.

But all of us, as citizens, must forget such political controversies when the loan canvassers approach us. The people must rise above their government to insure success for the loan.

A second circumstance makes $1,750 millions of borrowing much more difficult than anything we tackled in the last war. Then we taxed with comparative lightness. We did not control prices. We let the economy inflate itself and then drained off some of the bloat to put over our war loans. This time Finance Minister Ilsley is taxing with realism and pressure. Prices are controlled. There are no "profiteers"; no war fortunes to support Victory Loans.

Nevertheless, the money to put the new loans over does exist in Canada. Production has increased greater than the amount of our war costs to date. It will increase more. Someone is getting that new money. Study of earnings statements of business shows that it is not going to industry or commerce. Reports on dividend payments show that it is not being paid out to investors.

Chiefly, it is going in payrolls, to the average man and woman from coast to coast. Normally these people would want to put their money into homes, furnishings, motor cars, entertainment and other luxuries and amenities of life. But the war cannot be won and paid for that way. As a nation we have had to make our choice between guns and gadgets. We have wisely chosen guns. Success for the Second Victory Loan will proclaim our desire to make the decision stick.

More than in previous loans, success depends upon "small" subscriptions. We should be able to achieve at least a million and a half purchasers. This we can do if every employer in Canada gets behind the Victory Loan organization's plan of individual canvass of every plant and office worker in the country.

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McNAUGHTON'S ADVICE TIMELY

The government has made a very wise move in bringing Lieut.-General McNaughton back to Canada for consultation on the new set-up of Canada's overseas forces. Since General McNaughton went to Britain the war has broadened out; our own war effort has speeded up tremendously; the number of men we have under arms has expanded far beyond the needs of a single "Corps"; we have been threatened in the Pacific as well as across the Atlantic.

The Financial Post has long urged that General McNaughton's direct advice to the government on the numbers, the needs, the training and the use of Canada's army forces was needed. The Post's suggestion was labelled in some circles as rather unpatriotic. "Ottawa knows best" was the comment. But now General McNaughton is here. The country cannot but benefit from the clear-sighted advice Canada's great army chieftain can give to the cabinet.

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LOSING MORE VITAL TIME

The holding of a plebiscite on what is after all only one small phase of a really all-out war effort indicates that the government still has not the slightest idea of the vital importance of speed. Unless Ottawa quickly awakens there may be months of delay after as well as before the plebiscite no matter how overwhelmingly the vote may support an all-out war effort.

We cannot afford this utterly reckless waste of time. Long before this, Canada should have had every man and woman in the jobs they are best fitted to do for pushing the war. We have been lulled into complacency by official statements of the amounts of money we have raised, by the volume of war goods we have turned out. We have not realized that anything short of our utmost maximum may be too little.

The holding of a national plebiscite to settle the question which every right thinking Canadian settled in his own mind months ago, means that we cannot hope to get on an all-out war basis for three months at least and it will certainly take longer unless there is a speedy awakening to the danger rushing down on us.

The sooner we get down to real business, put our full weight behind a single united effort, the sooner we end the war. By wasting time on a plebiscite we are needlessly prolonging the war, increasing its total cost in blood, sweat and tears.

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CANADA SHOULD PRESS CLAIM

Developments of the next few weeks affecting the enlargement of the new Anglo-American war pool are of the greatest importance to Canada.

Heretofore Canada and the United States have been moving steadily toward an integrated economy in regard to output of war materials. In some respects the two countries had become virtually one and a unanimous proposal to remove all tariffs on war material is now shortly to be placed before the U. S. Congress.

Now there have been announced simultaneously in Washington and in London, three highly important boards which, on paper at least, create a complete pool of the raw materials, shipping and munitions resources of Britain and the United States.

Yet the announcement contains no mention whatever of Canada. Nor has there been any indication, official or unofficial at Ottawa, Washington or London as to what place if any this country is to hold in the new pooling plan.

Despite official denials, as to Canada's desire to have representation on these committees, Canadians intimately associated with our procurement programme have been urging in strongest possible terms that this country should and must have a direct voice in making the tools needed to finish the job. Our stake in the procurement programme both in terms of raw materials and in actual present production of scores of vital materials and supplies clearly warrants some such voice.

About the only word which comes from Ottawa is an explanation that we did not press our claim for direct representation because if we had done so it would have opened up embarrassing situations with the other Dominions and possibly with South American countries.

This is quite unconvincing in regard to supply and materials in which Canada has a direct interest far exceeding that of any other United Nation apart from Britain, United States and Russia. We stand in a position quite different to that of any other allies of the United Nations. It is urgently important to have Canada's position clarified.

Fight Looms In Insurance On Fire Etc.

Whole Tariff Structure Challenged by Pending Action of Canadian Underwriters

By D. G. MacLEAN

Withdrawal of an important member company from the association governing tariff insurance companies in Ontario and Quebec may result in the end of "tariff" insurance, bring rate wars, shake the agency system to its roots.

Sequence of events over the past week or two is as follows:

1. Insurance Co. of North America resigned membership in the Dominion Board of Insurance Underwriters, effective Feb. 18, automatically terminating its membership in Canadian Underwriters Association. The latter sets premium and commission rates, regulates types of policy offered for its members, the "tariff" companies. By resigning, Insurance Co. of North America automatically became a "non-tariff" company.

2. The Canadian Underwriters Association has called a special general meeting to consider suspending all its rates and rules in its territories.

"No Confidence" Vote

In effect, the Association has countered Insurance Co.'s "I resign," with, "We'll all resign."

If the suspension is put into effect, principal differences between the tariff companies now reported handling 50% to 60% of the business and the non-tariff companies will disappear temporarily, at least.

In precipitating what amounts to a "no confidence" vote on the system that has been built up by tariff companies over many years, the Association apparently intends to settle once and for all a question that has created friction for some time.

Through the Association, the member fire and casualty firms pool their experience, loss statistics and other data, centralize their inspection service and work for prevention of fires and accidents. On the information collected, premiums and commission rates are based. General tendency, it is claimed, is to stabilize the business.

Over Regulation?

By contrast, the nontariff companies are free to act within the limits imposed by the Dominion or Provincial authorities, have no complex additional set of self-imposed rules.

Trouble over the regulations has been long brewing.

Attitude of the Insurance Co. of North America toward too tight control was expressed recently by John A. Diemand, president, who stated that any company should have the right to meet the requirements of any policy holder so long as there is no government or legal ruling against the type of transaction planned. This point of view clashes violently with the tariff system.

For example, it is understood the

(Continued on page 2, col. 3)

Your Share

AS AN AVERAGE CANADIAN IN THE 1942 VICTORY LOANS

YOU MUST SAVE AND LEND MORE BECAUSE —

Canada Will Be Spending in a Year About:

	Total $	Your Share $
For our own war costs ...	2,000 millions	175.44
To aid Britain	1,000 millions	87.72
For cost of government .	500 millions	43.86
Total	3,500 millions	307.02

... and Can Pay it This Way:

	Total $	Your Share $
Taxation from all sources .	1,750 millions	153.51
Borrowing from your savings	1,750 millions	153.51
Total	3,500 millions	307.02

This means you and every other man, woman and child in Canada must buy an average of $153.51 in Victory Bonds and Certificates. This is equivalent to:

30% of Canada's 1941 national income. Average income was $518 per capita. If you earned more, your responsibility to buy Victory Bonds is greater.

or

134% of the gain in national income in 1941 over 1940. Average income was $114 higher, may rise another $70 this year.

or

60% more than you loaned for war in 1941, including Victory Bonds, War Savings, etc. In 1942 you must lend more than the total you have loaned since war began.

or

$100 millions more than all of us now have on deposit in bank savings accounts; more than eight times what all of us paid last year in life insurance premiums.

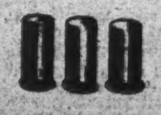
But each dollar you lend has gained in fighting power:

Because of the steadily rising efficiency of Canada's war industries, costs are dropping and each dollar you lend will now buy this much more equipment than it would a year ago:

Universal Carriers
Your dollar will buy
54% more.

Machine Guns
Your dollar will buy
30% more.

Shells
Your dollar will buy
33% more.



Cartridge Cases
Your dollar will buy
66% more.

What these facts mean to you as an investor and a citizen:

Your dollars will fight for Canada harder than they will work for you.

Your dollar—loaned—has gained 30% and more in its fighting power. Your dollar—spent—has lost some of its buying power. For all of us there will be fewer washing machines, refrigerators, radios and other household goods. Most of us will be able to drive only half as far as we did last year. Our dollars will still meet all our daily needs, but there is less to choose from and prices are generally higher.

The dollar you lend protects the dollar you keep.

The $153 you must lend this year, and the equal amount you will have to pay in taxes—keep Canada's accounts balanced — help prevent inflation. By lending your dollars you help keep prices down, help preserve the buying power of your remaining dollars. A price ceiling is holding down living costs. But your self-denial is the real support of that ceiling.

In the last war, dollars stored away grew in purchasing power.

While your dollar has lost some of its power to work for you, much of that power may be restored after the war. The extension of productive facilities for war may, with peace, bring lower production costs, cheaper prices to you and other consumers. Those who lent $100 in the last Victory Loan of the first Great War got $135.85 back in purchasing power when their bonds matured in 1934, plus interest over 15 years.

United War Pool Poses Problems

Where Does Canada Stand vis-a-vis U. S. and U. K.? — Lost Representation Request

By KENNETH R. WILSON

OTTAWA.—Canada was sitting tight this week as the new lines of a vast Anglo-American war pool began to take shape.

Admittedly the Dominion has lost the first round in a behind-the-scenes engagement relative to direct representation in the new procurement and allocation organization which is now taking shape as a result of the Washington Conference between Prime Minister Churchill and President Roosevelt.

Where this country will eventually stand in the new setup is still clothed in mystery. At stake is not only the disposition of our vital and considerable supply of raw materials, but also the sort of liaison this country can establish for obtaining much-needed materials and supplies from the United States and other sources.

Raw Materials Problem

Take the question of raw materials.

As announced officially from the White House and in London last week, one of the three new Anglo-American war committees set up to "provide the most effective utilization of the joint resources of the United Nations" is a Combined Raw Materials Board. This board will have as American representative William L. Batt, chief of the materials division of the new U. S. War Production Board. Great Britain will be represented by Sir Clive Bailleau, director of the British Purchasing Commission in the U. S.

Press reports indicated that Sir Clive would be the representative on this board for the entire British Empire. But for nearly a year now Canada has had direct liaison with the U. S. (though not pooling) through a Joint Canada-U. S. Materials Co-ordination Committee of which Mr. Batt is the senior U. S. representative.

Does the new Anglo-American pool arrangement mean that Canada must henceforth negotiate only through the representative of the British Empire? In short, does the Joint Materials Committee (Canada-U. S.) now disappear entirely?

Or will we still maintain our direct liaison as before?

If the latter, will Canada-U. S.

(Continued on page 2, col. 6)

To Make Buna Rubber In Canada

By KENNETH R. WILSON

OTTAWA.—Canada is going ahead with a programme to manufacture synthetic rubber, The Financial Post learns in official circles. The programme will cost an estimated $35 to $40 millions and is designed to supply Canada's wartime rubber needs.

On the basis of a recent official announcement that it would cost about $1.5 millions for plant adequate to produce 1,000 tons of synthetic rubber, it would appear that capacity of the proposed Canadian plant is to be about 25,000 tons yearly.

The synthetic rubber process to be used is the Buna, which uses by-products from oil refining as raw material. Sarnia is mooted as location of the plant.

The Canadian programme will parallel that of the United States, whence production equipment will come and output is expected to commence in 15 to 18 months depending on availability of equipment.

May Be Little Gas Left For Ordinary 'A' Driver

Present indications suggest that the "sliding scale" of Canadian gasoline rations will give the motorist probably less gasoline than estimated in recent reports.

Tankers are still being sunk, some within sight of the Atlantic coast and sinkings come right back to the civilian motorist. One average tanker can bring 26 millions of gasoline to Canada per year.

Last year, Canada used almost a billion gallons of gasoline, an apparent gain of about 100 million gallons from 1940, in spite of appeals for voluntary conservation.

What the consumption target for this year is depends on events.

Seek 20% Cut

But a reasonable guess at present might be a reduction of 20% in Canada's over-all gasoline consumption.

The cut must come from civilian motorists as the billion gallon gasoline consumption in 1941 included industrial users; it includes all kinds of essential uses. About a fifth of all gasoline is used by farm tractors and industrial machinery.

Hence the cut for civilians is probably at least twice this estimated over-all 20% target saving.

For a driver in the lowest, or A, category, it may mean virtual disappearance of his ration. At present available petroleum supplies are being used to produce: 1. Aviation gasoline; 2. light and heavy fuel oils, lubricating oils and greases; 3. motor gasoline, including all that used by the army, as well as civilian users.

Japs Complicate Matters

Entrance of Japan into the war has meant more sinkings of tankers; longer hauls to supply military and naval operations. For Canada it meant virtual doubling of estimates of the amount by which gasoline consumption had to be cut.

Canada's new system of gasoline ration books begins April 1.

Wenner-Gren On Bahamas Blacklist

Axel Wenner-Gren, Swedish industrialist and "mystery man," has been placed on the Bahamas commercial blacklist, according to a news association dispatch.

Wenner-Gren industries in the Bahamas, stated to include a big vegetable canning plant, are to be operated under the direction of the colonial government to assist the war programme.

Montreal Power Net Is Higher

From Our Own Correspondent

MONTREAL. — Montreal Light, Heat and Power Consolidated's indicated earnings for 1941 place net profits on common stock at approximately $1.90 a share.

Estimated gross revenue last year, based on interim reports, is placed at $30 millions, compared with over $28.1 millions the year before. Expenses were higher, as also were income and profits taxes. Net profits were around $8.5 millions last year, against some $7.9 millions in 1940.

In connection with the offer which the company is making currently to exchange the $14.9 millions 3% convertible notes into 3½% long-term first mortgage par for par bonds, it is understood that between $8 millions and $9 millions were turned in by the expiry date Feb. 2. In as much as over 50% of the note holders accepted, the company will now be obligated to go ahead and make the exchange.

Planning Tourist Campaign To Bring U. S. Citizens Here

OTTAWA. — Commencing next month the Canadian Travel Bureau plans to inaugurate a $260,000 advertising campaign in the U. S. to stimulate tourist travel in Canada in 1942. Total federal appropriation for tourist development is being sought at the same rate as last year ($500,000).

The 1942 campaign will advocate tourist travel along four main lines: promoting goodwill between partners "now engaged in a common fight for freedom," to show what this country is doing in the defense of North America; urging that it is more than ever necessary to keep fit; that it is necessary for morale to have rest and relaxation.

Advertising will be placed on a month-to-month basis. The aim will be to keep close touch with government policy both in Canada and the United States so that the tourist appeal will be consistent with wartime restrictions and prohibitions.

Recent official pronouncements from Washington indicate that the U. S. government intends to encourage civilian travel for purposes of health and morale. To what extent this programme will be altered or curtailed subsequently in view of the critical rubber shortage, remains to be seen.

On gas rationing it is generally intimated that U. S. visitors will be treated the same as Canadians

Sorel Boosts 25-pounder Output to 50 Monthly

MONTREAL. — Twenty-five pounders and their equipment are being turned out at Sorel, at the rate of 50 a month, according to W. F. Drysdale, Director-General of Industrial Planning, Department of Munitions and Supply, at the annual convention of the Engineering Institute of Canada. Four-inch naval guns, he added, also being manufactured and will shortly come into full production.

From the furnaces there, fed with scrap and the necessary raw materials, are produced monthly some 3,000 tons of ingots for gun-barrels, jackets, breech-rings, recuperator rings and their components. All these parts are of the highest grade steel.

The works cover more than 14 acres and employ approximately 1,800 men of whom about 85% are French-Canadians. "It would be safe to say," Mr. Drysdale said, "that not more than 10% of this number had any mechanical training before joining the firm, which adds credit to their achievements."

Further Ban on Construction

Ottawa Tightens Up On Institutional Building

By STAFF WRITER

OTTAWA.—After nine months of backsliding the government has moved to correct one of the glaring inconsistencies in its allegedly "all out" total war effort.

A new order-in-council announced this week places, at long last, a licensing curb on construction of hospitals, schools, churches. It also restricts (except under license) construction of any type of building or the installation of machinery in any building without a license, if the amount exceeds $5,000.

As outlined in The Financial Post on Nov. 15, the government set up on May 16, 1941, a control authority to regulate all "non-essential" construction. On and after April 20, no one was to be allowed to erect or repair any edifices or building above a nominal amount without first obtaining a permit from the Controller of Civilian Construction. Purpose of the control was to free vital materials and supplies for the war effort and provide a backlog of institutional and non-essential buildings of a type readily available to take up postwar slack.

However, the plan cut deeply into the plans and programmes of some institutions, with the result that within four weeks a new order was passed exempting entirely from the original restriction any church, public hospital or educational institution or any building under the control of a provincial or federal government.

According to figures compiled by MacLean Building Reports the contracts awarded for new construction in these three groups and which has taken place in the nine months May to January inclusive was $12 millions of which 70% was in Quebec.

The new order-in-council now removes all exemptions except in respect of federal government projects or projects wholly financed by the federal government.

In addition, it reduces the earlier limit on new construction from $10,000 to $5,000 for any one project and brings under control not only churches, hospitals, educational institutions, but private dwellings, duplex and triplex units, municipal and provincial public buildings and projects undertaken in primary industries such as logging, mining, agriculture and commercial fishing.

Present licenses issued by the Controller of Civilian Construction are still in force, but these and any new licenses may be rescinded or altered if deemed advisable.

Under the new order a license will also be required for the construction, repair or remodelling of any office building, wholesale or retail store, movie house, warehouse, apartment house, sports building or other such construction if the cost of the project, including all costs of equipment and of installation, exceeds $5,000.

Hat News FROM EATON'S

From England to EATON'S BATTERSBY HATS for 1942

Styled in the British manner for discriminating men! Designed and produced in the best tradition of English craftsmanship! Soft, rich-textured fur felt in handsome new shades of blue, blue-grey, dark and light grey. Sizes 6¾ to 7⅞. Each

6.00

Main Store — Main Floor

T. EATON CO LIMITED TORONTO CANADA

ONTARIO SILKNIT

Payment of $1 per right as interest for 1941 on the income funding rights of Ontario Silknit Ltd. is announced. Payment will be made Feb. 20 to shareholders of record Dec. 31. The company paid a similar amount a year ago covering 1940 operations.

As An Astute Business Man Did You Ever Consider?

THE SCOTT MISSION
Rev. M. Zeidman, Director
726 BAY ST.
TORONTO
WA. 9855

If you fail to pay taxes
your property may be confiscated.
If you do not pay your lodge and club fee you will be "suspended for non-payment of dues."

YOU ARE INDEBTED TO GOD.
Have you paid Him His dues?

He is providing sunshine and rain,
Your daily bread and raiment.
He has blessed you with health and prosperity.
You do owe God something.
You may pay your debt to God
Through the Scott Mission, 726 Bay St.
Where the poor are fed and the naked clothed.
A non-denominational faith Mission that urgently needs and fully deserves your support.

The War And Business

No Room for Canada?

Canada seems to be losing out in the battle for individual representation in the new joint supply organization, resulting from the recent Washington conferences. The Financial Post understands that certain Ottawa officials were extremely anxious to have representatives on the three boards set up by London and Washington to deal with

(1) Allocation of raw materials.
(2) Assignment of munitions to the various spheres of war;
(3) Adjusting shipping.

The chief stumbling block to the appointment of a Canadian member on such board apparently was the fear that it would arouse all other parties in the group of 26 nations to appoint similar representatives and the board would become unwieldy. Already, apparently, objections from the smaller parties on the united front have caused serious embarrassment to the senior partners at London and Washington.

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Why Godbout Spoke

Premier Godbout's outburst against overseas conscription in Montreal last week, is explained by close political observers as an attempt to placate Quebec radical nationalists. It will be recalled that a few years ago that group in conjunction with others was able to elect the Duplessis Government which was defeated in October, 1939. Undoubtedly part of Godbout's success on that occasion was due to the fact that he was able to wean some of the more drastic nationalists away from Duplessis.

For a short while after the 1939 election little was heard of this radical group but recently, it has been recovering strength by capitalizing anti-war and anti-conscription feeling.

It is considered doubtful whether Godbout can prevent a wide open split between the radicals he weaned away from Duplessis and the rest of his party. The former, it is believed, are thoroughly opposed to war outside Canada, while Godbout and most French-Canadian leaders have declared for full support of the war wherever fought.

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Big Call on Lumber

Despite the tremendous production achieved last year, the Canadian lumber industry is being called on not only to duplicate its 1941 performance but improve on it.

Efforts are being made on the west coast to obtain priority on supply of necessary machinery and equipment so that mills and logging camps will be able to continue in full stride.

If there had been any doubts in the minds of lumbermen concerning the size of the current year's programme, they were dispelled a few days ago when A. S. Nicholson, Canada's timber controller, went to the coast to urge that 100% production be maintained all along the line.

The only province in Canada where supply has been able to cope with demand, said Mr. Nicholson, is Nova Scotia.

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Lamb Worries

When the price ceiling policy was first mooted at Ottawa it was understood that strong representations were made to have practically all primary farm products exempt. The reason was the seasonal factor. To have a ceiling high enough to take care of all all year hazards would place it absurdly high in the normal seasons. But already, The Financial Post hears, unexpected difficulties are arising. The authorities saved themselves a good deal of embarrassment when fresh fruits and vegetables were given exemption, but under the ceiling are some products almost as volatile.

Take lamb, for an example. Lamb is always a rather high-priced meat because there are not enough lambs raised in Canada normally to supply the home market. For various reasons many farmers refuse to bother with sheep, which they must have first if they are to raise lambs. But in spite of this lamb prices are fairly steady from June until early winter which is the natural season for these animals to go to market in Canada.

A lot of people, however, want lamb in the very early spring and are not satisfied with meat out of storage. Catering to these consumers are certain lamb specialists who contrive to thwart nature and the rigorous Canadian climate by producing excellent fresh lamb by Easter.

Naturally the price of this must be very much higher than that for the regular run later on, as the cost of production is much higher. But it is going to be difficult to make the one ceiling price do for both kinds of lamb, although from the meat standpoint they may be identical. The same, of course, will be true for eggs produced in January and eggs in the more natural month of April or May, and several more examples could be quoted

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Non-war Imports

Though official word is lacking, sources close to the Wartime Prices and Trade Board expect that there will be a drastic curtailment of non-war imports from the United States in the near future. Price advances across the line in many lines have already pierced the Canadian ceiling and where these are imported this means a substantial subsidy.

It might cost the treasury close to a million dollars a year, for instance, if Canadians keep on drinking American grape fruit juice at the ceiling price. In a few cases Canada may be able to shop around Central and South America and still bring in these imports at prices below the ceiling but otherwise it is expected consumers may as well prepare for an embargo or a lifting of the ceiling price. On essentials like cotton the ceiling price will likely be lifted but on non-essentials or lines which may be substituted from Canadian or more favorable import sources, an embargo is believed the more likely course.

Dosco Steps Up Operations In Past Year

All Divisions on Capacity Basis Except Coal: Expansion Takes $13 Millions

From Our Own Correspondent

MONTREAL.—Operations of Dominion Steel and Coal Corp. and its subsidiaries were probably the largest in the company's history.

Gross income of Dosco for 1941 is expected to compare favorably with the $3,155,684 reported in 1940. It may be considerably higher, but the net amount available on the ordinary stock is not expected to show material change, as the company will likely make provision for much heavier write-offs.

More Steel Produced

Feature of company activities last year was continued expansion of manufacturing facilities.

In 1940 steel ingot production was 556,269 gross tons. This contrasted with 401,561 tons the year before. Last year indicated steel production was close to 600,000 tons.

Work is already under way on the installation of the fourth blast furnace. The addition will not add a full one third to production.

When extensions are completed, ingot output will be about 675,000 tons, compared with around 400,000 tons at the outbreak of war.

Pig iron production at the Sydney plant last year totalled 376,157 tons, less than expected, owing to the slow-down at mid-year. (401,561 tons produced in 1940 and 337,116 tons in 1939).

Rehabilitation of the plate mill was made necessary by the cargo shipbuilding programme and dependent upon receipt of certain electrical equipment, the plate mill is expected to be in operation in the near future.

To provide power for the additional plant at Sydney, generating equipment of the Seaboard Power (a wholly owned subsidiary) plant is being considerably enlarged. In addition a new 5,000 h.p. plant was erected in Pictou County to supply the Trenton works.

Dominion Coal Affected

In respect to subsidiary activities, the report for last year will be rather spotty. Dominion Coal Co. had an off-year due to internal differences in the miners' union.

Eastern Car Co. operations continued at capacity throughout the past year. The plant was engaged in turning out war equipment, as well as building some $3 millions of rolling stock for the Canadian National Railways.

Expansion at the Trenton works of Nova Scotia Steel and Coal Co., a subsidiary, is not yet fully completed. About $3 millions is being spent to prepare this unit for the production of war materials, such as shells, etc.

The company formed a new subsidiary, Trenton Industries Ltd., to handle manufacture of gun mountings, etc.

Halifax Shipyards Expand

Halifax Shipyards Ltd., has been operating at capacity ever since the war started. Early last year this company filed plans for the construction of a marine railway at Dartmouth. The cost is estimated at about $3 millions and probably will not be completed until the end of this year or early in 1943. A new floating drydock is being erected by the Government on the company's property at Halifax.

Operations at the company's iron ore mines on Bell Island were reduced last year, due in part to smaller production at Sydney and to the difficulty in maintaining regular shipments to England.

At the Quebec and Ontario plants operations were maintained on a capacity basis.

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Fight Looms In Insurance On Fire, Etc.

(Continued from page 1)

company was considering offering fire insurance policies in Canada with a "deductible" clause as is done in automobile insurance. Such a policy would guarantee the holder against fire damage above a certain figure, but make him meet the bills for all smaller amounts. The policy was not permitted by the Association rules, an important immediate cause of the company's resignation.

Agents to Stay

H. C. Mills, Canadian manager of the Insurance Co. of North America, denied to The Financial Post that there was any intention of offering participating fire insurance, nor of abandoning the agency system to carry on business direct.

The ninth largest tariff group by volume of fire premiums, accounting for 3% of the total fire premiums taken by tariff companies in 1940, shift of I.N.A. to the non-tariff group meant heavy added competition for the tariff companies, strengthening of the opposition to regulation within their ranks.

Feeling is understood to be divided among the tariff companies over the suspension question. It is claimed that unless suspension goes through there will be more companies going non-tariff, although other groups are believed to be equally strongly in favor of continued self-imposed and co-operative regulation.

Internal Opposition

W. E. Baldwin, Canadian manager of the Continental and associated companies, himself a tariff man, has written in the New York Journal of Commerce:

"While some headway has been made by the territorial boards in Canada toward substantial rate reductions, the Canadian Underwriters Association has maintained its record of masterly inactivity in so far as Ontario is concerned. Outside of the reduction brought about by the writing of mercantile policies for three years, no general rate reductions have been made and many rates are entirely too high as the continuing favorable loss ratio clearly indicates."

Mr. Baldwin also criticized the association for not dealing firmly with the situation whereby some agents write business for both tariff and non-tariff companies.

For years, some members of the association have been working to bring about needed reforms of rates and relations with the agency forces. It is felt that if the present crisis ultimately brings some of these reforms, much good will result in the long run.

C.N.R. Revenue Up 40% in '41

Operating Returns Last Year Best Since 1928. December Flattens Out

From Our Own Correspondent

MONTREAL. — Gross operating revenues of Canadian National Railways for 1941 were $304.4 millions; expenses $237.7 millions and net operating income $66.6 millions.

For 1940 the system reported operating revenue of $247.5 millions; expenses $202.5 millions and net revenue of $45 millions, a gain for the past year of $21.6 millions and the highest since 1928.

December Returns Off

December returns indicate a flattening out in net operating income. Operating revenue at $28 millions, was nearly $4.3 millions higher than a year ago, but expenses more than offset the increase, leaving the net figure at $6,260,000, or $13,109 less than in Dec., 1940.

Returns for December and the 12 months ended December, 1941, with comparative returns for 1940, follow:

December

	1941 $	1940 $
Oper. revenues	28,011,291	23,736,806
Oper. expenses	21,750,841	17,463,256
Net revenue	6,260,450	6,273,550

12 Months Ended December

	1941 $	1940 $
Oper. revenues	304,376,778	247,527,224
Oper. expenses	237,768,438	202,519,813
Net revenue	66,608,340	45,007,811

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Mill. ing 3	Oils 4	Textiles and cloth-ing 10	Food and allied prod. 12	Bever-ages 7	Bldg. mater. 15	Power and trac. tion 15	Banks 8	Total utili-ties 19	Total co's. 95
(Base 1935-39=100)												
1929-40:*												
High	345.7	564.5	322.3	212.5	168.2	123.2	163.1	202.1	297.5	160.9	329.3	180.5
Low .	68.5	49.8	63.6	46.5	76.0	76.9	67.0	71.2	68.2	84.6	68.4	64.0
1941: Monthly Figures:												
Jan.	77.6	74.1	72.1	51.6	110.6	96.3	104.3	84.0	75.4	94.7	77.3	71.3
Feb.	72.9	63.8	69.5	48.7	105.0	90.1	96.6	77.3	68.8	90.9	71.3	66.5
Mar.	73.6	65.4	69.5	49.5	103.1	87.9	93.7	78.5	67.0	89.9	70.7	66.8
Apr.	73.2	63.9	68.6	49.4	101.3	88.6	88.1	77.8	62.2	89.7	68.2	65.8
May	71.8	58.7	63.4	51.3	97.4	88.6	82.8	74.4	60.3	88.3	65.2	63.9
June	72.0	59.5	67.5	48.0	101.1	90.1	87.3	74.9	62.0	89.0	67.1	64.0
July	76.3	66.1	67.5	48.4	105.7	90.5	94.3	77.8	65.3	89.7	70.6	67.5
Aug.	76.8	70.2	72.4	49.1	106.3	91.8	95.7	79.7	64.4	89.7	71.2	67.8
Sept.	80.5	78.5	75.1	51.3	108.4	93.3	102.4	82.4	68.8	91.2	74.7	71.0
Oct.	78.3	75.5	74.5	51.2	105.7	91.9	98.7	78.9	67.2	90.8	72.5	69.1
Nov.	78.2	76.4	74.9	52.9	110.0	91.0	102.6	77.8	65.5	91.7	71.1	68.8
Dec.	75.5	72.9	72.2	49.0	110.4	91.4	104.8	75.5	63.0	90.5	68.7	67.2
Weekly Figures: 1942:												
Jan. 2 ...	74.5	71.5	72.4	48.5	110.4	91.6	106.1	75.1	64.0	90.3	69.9	68.2
Jan. 8 ...	73.3	73.1	73.7	46.7	113.5	91.7	102.1	75.5	63.8	90.9	69.6	67.1
Jan. 15 ...	74.8	72.8	75.3	46.5	112.7	89.5	99.0	74.8	63.8	90.9	70.3	67.0
Jan. 22 ...	74.2	72.8	74.6	44.9	112.2	87.2	98.1	75.3	65.2	91.3	70.9	66.4
Jan. 29 ...	74.9	68.9	72.3	45.4	112.6	86.3	97.4	74.6	64.9	91.1	70.7	66.5

*High and low for year from 1929 to 1940 inclusive are based on weekly figures issued by Dominion Bureau of Statistics. For 1929 to 1938 inclusive the base is 1926=100; for 1939 and subsequent years the base is 1935-39=100.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Feb. 3	89.30	76.98	68.56	18.38
Feb. 2	89.13	77.30	68.55	18.22
Jan. 31	89.30	77.73	68.88	18.30
Jan. 30	89.73	78.37	68.81	18.30
Jan. 29	89.39	79.92	69.23	18.45
Jan. 28	89.28	80.60	69.31	18.57
Month ago ..	93.40	83.52	70.73	18.65
Year ago ...	92.82	101.50	64.51	19.96
High 1942 ...	93.50	83.71	71.01	18.86
Low 1942 ...	89.02	76.85	68.25	18.19

Montreal Stock Exchange Averages

	10 Util	20 Ind.	30 Chd.	10 Pprs.	15 Golds
Feb. 3	42.6	59.3	53.8	74.34	52.27
Feb. 2	43.0	59.4	53.9	73.19	52.40
Jan. 31	43.2	59.7	54.2	73.42	52.57
Jan. 30	43.3	59.8	54.3	73.84	52.57
Jan. 29	43.2	60.0	54.4	73.93	52.74
Jan. 28	43.3	60.1	54.5	74.32	52.63
Month ago .	42.8	60.3	54.5	77.15	54.82
Year ago ..	51.2	58.9	56.3	67.67	77.24
High 1942 ..	43.6	60.5	54.7	77.18	54.82
Low 1942 ..	42.1	59.3	53.8	73.19	52.27

United War Pool Poses Problem

(Continued from page 1)

materials become genuinely "pooled" as is apparently the intention under the new Anglo-American scheme, or will we merely continue to co-ordinate?

In addition, what will be our position vis-a-vis the U. K. if we are hyphenated with the United States while the rest of the Empire channels into the pool via the U. K. representative.

These are tremendously important questions to a country which is the fourth largest producer of material in the entire United Nations; which is a highly essential unit in the Anglo-North American production organization and which, in addition to providing essential raw materials (nickel, aluminum, base metals, etc.), is dependent on the U. S. for some $400 to $500 millions of war material and supply.

Have We Any Voice?

They are equally important in respect to the many co-ordinating agencies which Canada and the U. S. have set up for direct liaison. Where now do these agencies stand?

Will Canada, for example, become (as has been widely suggested) a hyphenated unit with the U. S. in creating a Canada-U. S. pool on the North American continent or does the new arrangement find Canada tagging along as an adjunct of the Anglo-U. S. pool? If we are to be hyphenated with the U. S., do we have no direct voice in the deliberations?

Have "Civilian" Leads

Although the committees in each country are to have "civilian" chairmen (Lord Beaverbrook in Britain, Harry Hopkins in Washington) it is indicated in the official statement that they are to be "under the combined chiefs of staff in a manner similar to the Southwest Pacific agreement."

Since Canada is not included in the agreement, it may be assumed that henceforth "all assignments, both in quantity and priority," will be under the direction of the "combined chiefs of staff" of Britain and the United States and of any nation which is involved in a direct theatre of war.

Just how such a plan will tie in with Canada's supply organization where purchasing is essentially under civilian control is not clear.

Asks Representation

It is known, however, that representations have been made by Canada for direct civil representation on such a committee. One major concern of a country such as Canada is for "munition resources" such as airplane engines, which are a finished product in the United States, but are an essential "component" in terms of Canadian supply. Whether or not these are included in the new pool or whether it applies only to finished articles such as tanks, planes, ships, etc., is also not clear.

Saint John Undertakes Bus Purchase Guarantee

From Our Own Correspondent

MONTREAL. — Provided New Brunswick Power Co. will place an order immediately for not less than 20 buses to relieve the present extreme need for more transport facilities, the City of Saint John will guarantee the power company against loss on its investment.

W. P. Southard, general manager, informed the City Council that close to half a million dollars would be involved before the transport situation could be handled to everybody's satisfaction, but he hesitated to proceed with such an expenditure unless the city entered an agreement regarding a franchise.

St. Lawrence Group.—St. Lawrence Corp., St. Lawrence Paper Mills and Brompton Pulp and Paper reports for 1941 will make their appearance shortly. Expectations are that both gross and net income will be moderately higher than a year ago.

A. C. Picard Joins Steamships Board

From Our Own Correspondent

MONTREAL. — A. C. Picard, of Quebec City, has been elected a director of Canada Steamship Lines. Mr. Picard is president of Rock City Tobacco Co. and a director of Quebec Power Co. and of Price Bros. and Company Limited.

Consumers' Gas Sales Up 9.5%

Gas sales of Consumers' Gas Co. of Toronto were 12.7% higher in January this year than in the corresponding month of 1941, it is announced. For the first four months of the company's year the increase has been 9.5%.

Greatest gains are said to be for industrial purposes but all classes of users are taking more gas. Sales of industrial appliances have grown substantially.

To Sales Managers

interested in developing sales in Western Canada.

An organization with excellent connections in Western Canada, specializing in food lines and chemicals, will place and merchandise your product; exclusive representation, Bank and business references; Head Office in Winnipeg, Branches in Saskatchewan and Alberta. For full information write to

NORRIS-PATTERSON LIMITED
105 Bond Street Toronto

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Dominion—	Date Issued	Sold to	Rate	Due	Amount	Price	Yield
Canada Treasury Bills	Jan.	....	....	Apr. 29, '42	$45,000,000	99.867	.547%

Thrift EQUIPS MEN

For the men of Canada's army, only the best will do. From tin hats to service boots their equipment must be the finest Canada can produce.

Good equipment costs money . . . large sums of money. And that money must be provided by the men and women of Canada out of current income.

How? By honouring pledges to invest in war savings certificates every month. By saving now, to pay war taxes when due. By saving now, to invest in Victory Loans should further loans be necessary.

This means that every Canadian must learn to do without some of the things he normally enjoys. Watch your spending. Stern duty demands that we Save for Victory now.

►This book will help you save. The Royal Bank Family Budget Book shows you how to budget your income, how to save by planned spending. Ask for a free copy at your nearest Branch.

The ROYAL BANK of Canada

HOLD HIGH THE TORCH OF FREEDOM

Manufacturers Of War Material
BORROW TO SPEED PRODUCTION

Manufacturers, who need funds to increase their speed in fulfilling Government contracts, are invited to discuss their requirements with the manager of our nearest branch office.

Borrowing to pay wages or to buy raw materials for making war supplies of great variety is an everyday transaction at the Bank of Montreal.

BANK OF MONTREAL
"A Bank Where Small Accounts Are Welcome"
Modern, Experienced Banking Service . . . the Outcome of 124 Years' Successful Operation
A157

GLOBE ENVELOPES
Makers of Wall Gummed Envelopes
Montreal TORONTO Winnipeg
WITH BULLDOG GUMMING
ENVELOPES of all types!

ORNAMENTAL AND MISCELLANEOUS
WIRE AND IRON
GALVO
OPEN STEEL STEPS AND FLOORING
BUILDER'S IRON
STRUCTURAL STEEL
BORDER CITIES WIRE & IRON WORKS
WALKERVILLE ONTARIO

BANKING GEARED TO WAR

DEPOSITS AND ASSETS AT HIGHEST LEVEL—VOLUME OF BANKING SERVICE MUCH INCREASED

Says H. D. Burns

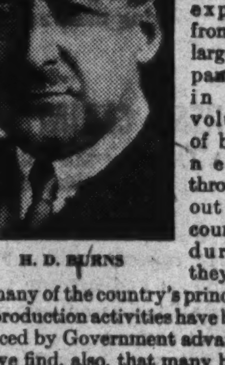
General Manager of THE BANK OF NOVA SCOTIA AT 110th ANNUAL MEETING

In his annual address on February 4th, Mr. Burns reviewed the Bank's Statement and commented on other aspects of the general situation. A part of his remarks is given below.

In reviewing the Statement, Mr. Burns pointed to the substantial increases in Loans and Deposits, over a year ago, and added that the Bank's Total Assets had reached an all-time high level of $380 millions, an increase of more than $51 millions over the previous year. The usual strong liquid position is maintained with total Quick Assets of over $216 millions, representing 63% of total Liabilities to the Public. Total Current Loans are up $11 millions at $123 millions, and total Deposits (other than Banks) of $297 millions are increased by $28 millions.

Loans in Canada Up

Referring to the increase in Current Loans in Canada—of $13 millions—Mr. Burns said: "The increase is, perhaps, not as great as one would expect from the large expansion in the volume of business throughout the country during the year, but many of the country's principal war production activities have been financed by Government advances and we find, also, that many businesses are in a relatively strong working capital position and able to finance their turnover without recourse to bank credit in any large volume. We, of course, are anxious to do our full share in the financing of production generally throughout the Dominion and elsewhere where we have branches and we hope to maintain our volume of current loans, although the present indication is not for any large increase."



H. D. BURNS

Facilitating the War Effort

He continued; "I should like to emphasize that as an institution we are strongly conscious of our responsibility to do everything within our power to facilitate the war effort. In common with the other banks, we are providing security and liquidity for our depositors, and in these difficult times let us not under-rate the great importance of these qualities. As the statement shows, our current loans and acceptances and letters of credit have increased over the year, largely for reasons of a wartime nature; and, in addition, we have carried our full share of short-term financing for the Government."

Added Duties of Banks

His further remarks were in part as follows: "In the various financial measures which the Government has found it necessary to adopt under wartime conditions, the banks have necessarily played a most important part. They are, of course, the chief agents of the Foreign Exchange Control Board for dealings with the public. They have important duties to perform for the Custodian of Enemy Property in respect to enemy assets in this country. In the raising of funds by the Government for its ordinary needs and the prosecution of the war, the banks provide an essential service—they are the chief instrument for deliveries and finalization of subscriptions to governmental issues—they are agents for the Government in the sale and distribution of War Savings Stamps and Certificates. These activities have involved a large volume of additional work, which the staffs of the banks have undertaken cheerfully and efficiently."

Splendid Spirit of Staff

"It gives me pleasure to testify in our own case to the splendid spirit with which our staff—women as well as men—have approached their daily tasks, which often require extra time and night work. The Bank is fortunate in having such a devoted and efficient personnel through its entire organization. Although the past year has, fortunately, been one of considerably less peril to our London, England staff, we are proud of their record and of the calm and devoted manner in which they have looked after the Bank's interests.

"We now have 424 members of the Bank's staff in the armed forces whose positions in the Bank are being held for them until conditions permit their return. They carry with them on their military service the best wishes of our shareholders, executive and staff. We are indeed sorry to report that since January, 1941, there has been one of our staff killed in action, one missing after air operations, two are prisoners of war in Germany and two have died in Canada. Our deepest sympathy goes out to the sorrowing relatives of these young men."

This week, The Financial Post question is —

Taking Into Consideration Morale, Do Blackouts in Inland Cities Help or Hinder War Effort?

Opinion on blackouts in inland centres of Canada varies widely.

Some opponents declare that these are merely emotional, useless and wasteful demonstrations that interfere with the nation's war effort. Going to the other extreme there are citizens who argue that it is quite possible that blackouts will be absolutely essential as a safeguard against actual enemy attack.

In between are individuals who believe that danger of actual attack is practically non-existent but as an important booster of war morale these demonstrations have just as important a place in the general war effort as Victory Loan parades and recruiting drives.

A major factor in the controversy is the cost. Most big cities in inland Canada are not easily blacked out without considerable expense for materials, and loss of time in those plants and buildings where the only solution is the pulling of the main switch with consequent stoppage of all lights, elevators, etc. Added to such inconvenience and loss is the worry of many municipal governments regarding possible accidents and robberies during the blackouts and their responsibility for such occurrences.

This week's question was confined entirely to those areas of Canada outside potential danger zones along the east and west coasts, where admittedly the whole situation is entirely different.

W. H. Carter

President, Winnipeg Electric Co., of Winnipeg, operator of municipal transportation system and distributor of electric power in Winnipeg.

Personally I do not believe blackouts in our inland cities have any practical value towards our war effort. They might have some advertising value in loan drive. But believe expense of same could be used to better advantage in some reasonable arrangement for air raid precautions for which committees are now formed and doing excellent work.

Andrew Davison

Mayor of Calgary for many years.

I question very much if blackouts in inland Canadian cities materially help our war effort. Generally speaking they are far from successful both from standpoint of thoroughness and ability of people to take them seriously.

I believe municipal efforts should be directed along other phases of A.R.P. work in order to train our citizens to so conduct themselves that there will be a minimum of confusion and misunderstanding should an air raid occur.

Vernon G. Cardy

Vice-president and general manager, Mount Royal Hotel Co., Montreal, operator of important chain of Canadian hotels.

From the viewpoint of civilian morale it is my opinion that blackouts serve to bring home to the public very forcefully the bombings in other countries and the possibility that it can happen here. This is bound to impress the necessity for increased effort. If munitions plants are obliged to shut down during blackouts this would definitely reduce production which is to be avoided.

Blackouts during the tourist season may bring some difficulty to visitors to Canada who may be obliged to travel after dark. Rumors of such conditions, exaggerated as they invariably are, might react to reduce tourist travel, depriving the country of much needed American exchange.

If blackouts are efficiently organized and controlled and authority and responsibility definitely established, however, these difficulties would be minimized. Here at the Mount Royal we are prepared night and day for a theoretical air raid or blackout but maintaining all essential function within the hotel. This is the hotelman's duty and we will endeavor to carry it out come blackout or air raid.

Stanley Lewis

Mayor of Ottawa.

Present blackout setups in my opinion upset morale and possibly would hinder the war effort. I believe that intelligent study of illumination affecting blackouts and of other matters pertaining to A.R.P. should be made by persons with knowledge and information.

John R. Read

President, Canadian Westinghouse Co., Hamilton.

Never having had experience with blackouts I cannot express opinion concerning them.

J. P. Ryan

Mayor of Brantford, Ont.

Blackouts should only be held after adequate training has been given civilian defense personnel in all services. This requires a great deal of equipment as yet unavailable for inland cities. If attempted before such training is complete only confusion will result causing a considerable amount of hindrance.

Citizens will be eager to cooperate when they are convinced that there is the possibility, even if remote, of air raids on inland cities. The general public does not as yet, believe that danger is real and will resent blackouts held unnecessarily and without sufficient preparation.

Arthur J. Reaume

Mayor of Windsor, Ont.

I am firmly convinced that under proper direction, blackouts in any community should favorably affect morale and assist war effort. They act as a reminder that this is also Canada's war and that we are not so safe as many wishful thinkers would have us believe. I also think that the excellent training involved provides for possible co-operative action in any other emergency or community project.

W. J. Stewart

Ex-mayor of Toronto, former M.P. for Parkdale and president of Bates & Dodds Ltd., funeral directors, Toronto.

The value of inland blackout is doubtful as compared to semi-blackout. Aviators claim that on clear nights the smallest buildings are quite visible from above and moonlight on Lake Ontario presents a condition that blackouts cannot overcome.

Educational value of blackout to morale may be offset by annoyance created by private expenditures for equipment of homes and business places.

We must remember that complacent people said a few years ago, "it can't happen here." But many things have. The A.R.P. in the motherland, a civilian organization that has proven its worth to be of unlimited value, is an inspiration to local A.R.P. organizations.

James Wilson

President, Shawinigan Water and Power Co., Montreal.

The question of blackouts is one that must be decided by the military authorities. Shawinigan Water and Power Company will be glad to carry out any instructions of that authority.

ON WAR WORK

A. M. Miller, director of advertising, Chrysler Corporation of Canada, Ltd., has been granted leave of absence by his company to assume new duties as regional office manager in Windsor, for the Oil Controller for Canada.

"Your Guinea Gold, Sir"
OGDEN'S
Guinea Gold
CORK TIP CIGARETTES
ALSO PLAIN ENDS
22 for 25¢
"GOOD AS GOLD AND MILD TOO"

Loan Workers Prepare Big Employee Drive

One of the major objectives of the coming Victory Loan will be the drive to enlist the savings of factory workers, office and commercial employees. In earlier loans, the employee field was relatively undeveloped, left largely to War Savings Committees.

Technique for tapping the savings of employees across Canada will be basically similar in every province. From the central committee subcommittees have been appointed to assist employers in organizing problems, provide speakers, leaflets or information wherever required. "Organizing" a firm will consist mainly of providing facilities with which the company managers and employees can effectively organize themselves.

Self-Organized

In many of the larger business organizations, railways, large factories and stores, individual Victory Loan Committees will be set up, manned entirely by employees. Victory Loan workers will aid these committees in every way, but will take little direct part in the actual selling of the loan, except when called upon.

Theory behind the changed set-up is that employees can be reached better through their own colleagues, will express any doubts they may have more freely and get answers in their own language. Practical proof of the efficiency of this method was achieved in the first Victory Loan campaign in two Toronto plants. In these plants canvassing was carried out by employees, and War Savings Certificates were offered at the same time as the Victory Bonds.

The preparatory campaign in factories, workshops, banks, among the railway company workers, departmental store groups and in every sphere of the commercial and business life of Canada is now in progress. It is designed to place literature in the hands of workers and to ensure that by the time the campaign proper begins on Feb. 16 everything that should be known concerning the merits of the Victory Bond as an investment and the importance of the full success of this campaign to the Canadian Government's war effort has been communicated to prospective buyers.

General publicity will be stepped up from the preceding campaign. Many of the more important publicity steps are still secret, but two features of the campaign will be Victory Loan Sunday and the Good Neighbor Day. On Sunday, Feb. 22, clergymen across Canada have been asked to address their congregations on the vital need for victory. In some cases, pulpits may be opened to lay speakers on that day.

A "Good Neighbor Day" will in a number of provinces be set aside during the loan period for "hands across the border ceremonies." Provincial premiers are being asked to invite the governor of an adjacent state to participate in the ceremonies. Keynote of the gatherings will be the place Canada-U. S. relations occupy as a model for democracy throughout the world.

Wide Acclaim for The Post's New Month-end Analysis

The Financial Post has received many expressions of approval for its "Production on Parade" feature introduced last week. Letters came from various parts of Canada and the United States indicating appreciation of The Post's programme of presenting a monthly survey of Canada's war effort, with particular emphasis upon the output of war weapons.

At the end of the first year of war, The Post presented a 96-page summary of what had been accomplished under Canada's war programme. Again in September, 1941, it presented a further "round-up" in its 124-page "Democracy on the March" edition.

The new feature, "Production on Parade," is a continuation of "Democracy on the March" but in month-end installments. Through 1942 The Post will supplement its regular news service with a "round-up" each month to keep its readers up to date as to the progress of the war effort on Canada's economic and industrial front.

Many extra copies of the January 31 issue were printed to ensure international dissemination of the valuable data it contained. Through the co-operation of a group of Canadian companies, copies were sent to a special list of key men in press, business, financial and other circles in the United States and Great Britain, as a means of publicizing Canada's war progress. In addition, all parliamentary leaders in Canada received the first installment of "Production on Parade."

Steel of Canada Still at Capacity

MONTREAL.—Steel operations of Steel Co. of Canada have continued at full capacity, according to Ross H. McMaster, president.

Ingot production has been further increased, he said, because of the increased supply of hot pig iron now available from the new blast furnace which has exceeded production estimates.

Continued expenditures for supplementary plant equipment have been necessary to maintain balance between operations in the various departments and to secure maximum output of finished products.

An increase in the allotment of steel to the plate mill, Mr. McMaster further reports, has been necessary with the development of the government's ship-building programme. In other lines the proportion of production devoted to war and vital needs has grown steadily. Export sales have practically ceased.

To increase the speed of unloading lake vessels and to ensure delivery of the greatly increased tonnages of ore and coal now required, the president adds, contract for a new unloading bridge has been placed which, it is hoped, will be available on the opening of navigation.

ON THE JOB TO HELP "Finish the Job"
24 HOURS A DAY
7 DAYS A WEEK
JOHNS-MANVILLE
JM
PRODUCTS

TO GET AN IDEA OF "SCALE", note how the vast expanse of this huge mine dwarfs the large collection of mill buildings in the centre background . . . and the tiny appearance of the full-size, standard locomotives on the tracks circling the pit sides.

THE WORLD'S LARGEST
ASBESTOS MINE
CANADA'S LARGEST
ASBESTOS MILL
and FACTORY

Important in peacetime—now a vital source of raw materials for all the allied democracies—are Canada's asbestos deposits, far and away the largest anywhere on earth. • Pictured here is the Canadian Johns-Manville Mine—biggest in the world—at Asbestos, Que. Here, more than 1,500 J-M workers are busy on an all-out, around-the-clock basis, producing precious asbestos fibre for the Empire, the United States and our other allies . . . fireproof asbestos goods to meet war needs . . . and other specific war materials. • In addition, J-M serves every basic Canadian war industry, as supplier of more than 1,200 J-M products. Canadian Johns-Manville is proud of the contribution these products are making in helping Canada's industries produce war materials quickly—at the lowest cost to the nation.

● FACTS ABOUT THE J-M MINE: Largest in the world . . . Focal centre of daily life of 5,500 residents of Asbestos, Que. . . . Over half a mile from side to side . . . Deep enough at centre to hide a modern "skyscraper" . . . 13 company-owned steam and electric locomotives travel 31 miles of tracks and haul the asbestos rock from pit to mill (in centre background) . . . The modern J-M "straight-line production" factory can be seen in foreground.

CANADIAN JOHNS – MANVILLE CO., LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER

Sees Moderate Price Rise Likely for '42

Commodity Prices to Reflect Concealed Increases in Spite of Controls

A group of highly trained Toronto men, all concerned with economic and financial questions, each year calls upon a member to forecast what the coming year may have in store for stocks, another for bonds and another for commodities.

While these forecasts are made privately and must remain anonymous the three statements have been made available to The Financial Post. This week the final forecast on commodity prices is published in summary form.

Wholesale prices of commodities in Canada are going to rise in 1942 in spite of price control legislation. The increases will not be the same for all types of goods and are likely to be fairly moderate, say not more than 10%.

Price changes can be divided into three classes.

1. The index of wholesale prices, which will rise less than other categories, perhaps from about 94 as at present to from 100 to 105.

2. Nominal, or "quoted" prices will rise more than the index of wholesale prices. This will take place for two basic reasons, one of which is the "weighting" used in compiling indices.

The other, and apparently more important, will be concealed increases. By this is meant such items as the disappearance of quantity discounts for large purchases; altered terms of sale such as gradual elimination of "back door sales."

3. Finally, what may be termed "true prices" are likely to rise even more than the other two categories in the current year.

Bases For Predictions

These predictions are made on the basis of certain assumptions. In the first place it is assumed that the war is going to last at least another year and that Japan is going to hold the tin mines and reduce the flow of rubber from the Far East.

The war effort in the United States is going to accentuate shortages. These will be partly offset by price controls and priorities enforced by that country. In the latter part of 1942 the intensification of the United States' effort will probably have a much greater effect on supplies and prices from American sources than anything hitherto experienced.

It is also assumed that the Canadian Commodity Price Stabilization Corp. is going to spend a large sum keeping down the cost of imports to Canadian producers and householders. It is assumed that the shipping shortage is going to become worse before it gets better, primarily due to the longer supply lines to Russia and the Far East. The possibility is seen that return cargoes of tea, rubber, coffee, wool and other items obtained from those parts of the world may be substantial. Marine insurance rates will not rise very much next year.

Labor costs and interest rates are not going to increase appreciably. There will be a moderate increase in taxes on commodities which will influence mainly retail price levels. A cautious monetary and fiscal policy will be assumed by Canada, with more taxes and heavy bond sales absorbing much of the purchasing power of the country. Finally, it is assumed that there will be no change in exchange rates, particularly with United States.

Some Prices to Fall

In certain categories prices will fall. Examples might be found where peace goods are in joint supply with war goods. Certain parts of the hog are not included in our deal with Britain and are in ample supply in Canada. In the dairy field other examples might be found, as in certain types of wood and in chemicals as well.

Concealed Costs

In further explanation of what is meant by "true" prices in this case, it is pointed out that this type of price includes certain costs which are not reflected in the price the consumer pays. This would include such items as bounties on output, subsidies on imports and provision of capital equipment or storage, all of which will be carried out at the public expense. It is obvious that these bounties and subsidies have to be paid for by the consuming public in some way. If they are not charged in the direct cost of the goods in question, they should be considered an indirect cost and thus affecting "true" prices. How great this effect may be, it is impossible to estimate at this stage.

It is questioned whether subsidies can offset entirely rise in prices in the United States and it is doubtful if the Canadian Government would be willing, or able, to spend the required sums for this offset.

In spite of these factors, which will mean that in actual practice there will be some price rises this year, it is argued that restrictions will keep prices far below the point indicated by ordinary demand and supply relations if these were free to operate in normal manner.

Commenting on price ceiling legislation as at present applied in Canada, it is pointed out that, when we abolish a free price system, we abolish at the same time an automatic system of rationing and an automatic system for providing incentives. The need for rationing and incentive remains and must be met by other methods. Rationing may be an alternative to a price ceiling but it is also a concomitant.

Rationing Sometimes Difficult

Regarding price ceilings, they are not an end in themselves. It is conceivable that we can contribute to inflation rather than hinder it if by imposing a price ceiling, we greatly discourage output of goods in this country or imports from others.

A moderate and discriminating relaxation of price ceilings would not indicate the defeat of the plan. There is a danger that too much attention may be turned toward price and that we may regard higher prices as the enemy rather than Hitler.

Company Reports

Twin City Transit

Improved operations are reported by Twin City Rapid Transit Co. in 1941 with bond interest requirements covered 1.29 times as compared with 1.13 times in 1940. Passenger car revenue picked up 2.76% due to an increase in number of passengers and a higher fare. Other revenue was up 41.6% to $127,803 largely due to a new arrangement for sale of advertising.

During the year $565,200 of the 5½% bonds were reacquired reducing the total outstanding to $14,630,600.

Cons. Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Passenger revenue	8,543,721	8,314,568
Other revenue	127,804	90,251
Operating revenue	8,671,525	8,404,819
Less:		
Way & structures	998,270	1,018,153
Equipment	765,704	753,040
Power	705,208	721,989
Cond. transport	2,562,145	2,474,573
Traffic	32,103	31,268
General	571,491	626,932
Trans. for invest.	15,608	12,823
Motor bus exp.	992,210	912,575
Oper. taxes	945,085	854,190
Operating income	1,114,916	1,024,924
Add: Inc., secs. & accts.	13,724	11,709
Misc. inc.	1,521	1,805
Less: Road rents	202	202
Property loss	1,198	1,259
Funded debt int.	815,073	849,728
Discount amort.	56,777	59,242
Misc. debits	19,608	16,423
Net profit	237,302	111,583
Add: Prev. surplus	3,640,775	3,456,230
Prof. on secs. reaq.	216,431	306,315
Prof. on secs. sold	1,874	......
Misc. adjs.	6,152	3,517
Less: Unamort. disc.	24,782	39,108
Non-oper. taxes	74,358	27,381
Loss aband. prop.	19,044	115,981
Invest. w/o	......	54,400
Surplus forward	3,984,350	3,640,775
Times Cons. Bond Int. Earned	1.29	1.13
Earnings per share:		
Pref.: Earned	$7.91	$3.72
Paid	nil	nil
Common: Earned	0.12	d0.46
Paid	nil	nil

d–Deficit.

Working Capital

	1941 $	1940 $
Current assets	2,914,044	2,667,137
Current liabilities	1,118,980	977,714
Working capital	1,795,064	1,689,423

Biltmore Hats

Gross profits of Biltmore Hats Ltd. showed moderate expansion during the year ended Nov. 30, 1941.

Debentures outstanding were reduced by $15,000 to $130,000 through the maturing of that amount of 3½% debentures May 31, 1941, completely liquidating this issue. An installment of 3¾% serial debentures of $15,000 falls due May 31, next.

Income and Surplus Account
Years Ended Nov. 30

	1941 $	1940 $
Total earnings	178,840	161,641
Less: Exec. remun.	26,381	26,192
Dir. fees	500	100
Legal exps.	529	265
Depreciation	14,298	13,447
Deb. int.	5,387	5,912
Taxes	60,000	38,320
Net profit	71,745	77,411
Less: Dividends	48,000	68,000
Surplus on year	23,745	9,411
Add: Prev. surplus	292,512	287,006
Tax adjust.	428	*3,880
Insurance proceeds.	34,220	......
Less: Loss sale invests.	......	25
Surplus forward	350,905	292,512

*Deduction.

	1941	1940
Earned per share	$0.90	$0.97
Paid	0.60	0.85

Working Capital

	1941 $	1940 $
Current assets	804,807	628,051
Current liabilities	357,818	211,311
Working capital	446,989	416,740

Lake St. John Power

Lake St. John Power & Paper Co. net profit in 1941 was $104,064, $5.78 a share on the 6% preferred, against 1940's $112,118, or $6.22.

Newsprint operations at the Dolbeau mill, says A. Stewart McNichols, president, were at 74% of rated capacity, (75% in 1940).

Principal change in the balance sheet, which shows net working capital at just under $2.1 millions, ($1.1 millions a year ago), was segregation of the Hearst account from current assets.

There was a slight reduction in the first mortgage bonds outstanding. Moreover, the company reports holdings of $101[illegible]10 among its investments.

Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Oper. revenue	1,208,311	1,213,717
Less: Depreciation	556,426	556,425
Bond interest	301,446	307,799
Deb. interest	176,375	176,375
Taxes	70,000	61,000
Net profit	104,064	112,118
Less: Pfd. dividends	......	108,000
Surplus	104,064	4,118
Previous surplus	104,834	100,716
Add: Profit on bonds	10,568	......
Surplus forward	219,466	104,834

Working Capital

	$	$
Current assets	2,584,659	2,401,307
Current liabilities	514,428	872,013
Working capital	2,070,231	1,529,294

Canada Foundries

Sharply increased earnings are reported by Canada Foundries & Forgings for 1941.

W. M. Weir, president, stated the amount of orders now on hand were considerably greater than at the close of business for 1940.

Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Total income	808,780	379,846
Less: Depreciation	45,249	47,071
Bond interest	......	164
Legal fees	2,475	......
Exec. salaries	27,683	27,925
Tax provision	386,000	199,675
Net profit	147,373	105,011
Dividends, A	56,910	56,910
Dividends, B	14,400	14,400
Surplus	76,063	33,701
Capital profit	4,142	......
Previous surplus	224,259	203,848
Less: Bond premium	......	3,290
W/o real estate	......	10,000
Surplus forward	304,464	224,259

Working Capital

	$	$
Current assets	1,347,139	933,300
Current liabilities	736,500	481,424
Working capital	610,639	451,876

J. S. Mitchell Co.

J. S. Mitchell & Co. reports total income in 1941 of $406,493.

The company retired $270,600 of preferred stock with proceeds from the sale of $240,000 of 4½% serial debentures, payable $24,000 per annum for 10 years.

Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Total income	406,493	361,832
Less: Expenses	336,033	292,121
Net profit	70,460	69,711
Less: Pfd. dividend	7,604	19,038
Com. dividend	37,500	30,000
Surplus	25,356	20,673
Previous surplus	494,329	473,850
Add: Capital profit	1,110	707
Less: Pfd. amort.	5,155	......
Adjustments	817	801
Surplus forward	......	......

Working Capital

	$	$
Current assets	1,096,228	1,072,015
Current liabilities	359,363	302,980
Working capital	736,865	769,035

Your Income Tax

Deadline for income tax returns is March 31, a month earlier than usual. In this weekly column, The Financial Post answers the problems you may have in computing your tax.

Accrued Interest

Last February I exchanged some Dominion of Canada bonds for others of a different issue. The accrued interest on the bonds sold amounted to $1,016 and on the bonds purchased $924, showing a difference in my favor of $92. Should this be treated as part of my income in 1941?

Yes the difference of $92 is interest you received during the year and as such it is part of your income and should be reported on the income tax return as such.

Heating Rented Apartment

I own a house which has been made into two separate apartments. Both apartments have about the same number of rooms. I rent one apartment heated. What deduction or exemption will be allowed me on the income from this property?

As you are renting approximately 50% of your property you are entitled to deduct 50% of the total expenses from the income you receive from the rented portion. The balance will be carried into your income as net taxable income from the property.

Supports Mother-in-Law

For the last two years my mother-in-law has lived with my wife and me. Her husband is dead and she has no other means of support. I am told, because she is not my mother, I cannot claim any allowance for her. Is this right? If so, why does the law make this difference?

According to the interpretation of the Act you are not allowed to deduct anything for money contributed to the support of your mother-in-law. The classes of relative for which exemption is allowed includes only blood relations such as children, parents, grandparents, brothers, sisters, etc. We have no information as to why parents-in-law are not included in the exemptions. Probably the framers of the Act felt the line had to be drawn some place and decided that that was the place to draw it.

C. P. R. Profit Likely at $2 Per Share

From Our Own Correspondent

MONTREAL.—On the basis of net operating revenues for 12 months, indications are Canadian Pacific Railway will show net profits on the ordinary shares equal to $2 a share for 1941, by far the best showing made in the last decade. This compares with $1.13 a share earned in 1940.

Throughout the year weekly and monthly operations have shown consistent gain in gross and net operating revenues over the 1940 periods.

Best Since 1928

Last year the railway had a gross operating revenue of $221.4 millions, compared with $170.9 millions for 1940, an increase of nearly $50.5 millions and the best showing since 1928.

No official particulars are available as to the trend of special income for the past year. Indications are, however, that C. P. R. will net a somewhat larger amount than in 1941 when $10,692,163 was added to the income account. This was after providing for depreciation on steamships and hotels.

Estimate for 1941

A preliminary estimate of the income account of Canadian Pacific for last year, together with the comparative and official figures for 1940, follow:

Income and Expense Statement

	1941 Estimate $	1940 Official $
Net oper. revenue	45,957,536	35,639,438
Other income, net	11,500,000	10,692,163
Net revenue	57,457,536	46,331,601
Less: Charges	25,500,000	25,380,715
Net profit	31,957,536	20,145,056
Pfd. dividends	5,042,782	5,042,782
Avail. for common	26,914,754	15,102,274
Per share common	$2.01	$1.13

Refuses Help To Montreal

From Our Own Correspondent

MONTREAL.—No financial assistance can be given by the Dominion government to a proposed refinancing plan for the City of Montreal, Hon. J. L. Ilsley, Minister of Finance, told a delegation of the Executive Committee of the City of Montreal.

Municipal finances, he said, were not a matter for the Dominion Government, and to give it to one city would create a precedent that would result in requests from elsewhere.

Amount the City of Montreal needs to get on a sound financial basis is close to $64 millions. Mr. Ilsley said the Government could not provide it as a loan, a gift, or through repatriation of $80 millions of City of Montreal bonds held in England.

Sirois Dead Issue

The delegation declared that an expenditure of $53 millions for relief purposes during the depression was one of the chief causes of the city's present position. Mr. Ilsley said the government considered relief a provincial matter and had already given all possible assistance in that field.

LOANED TO GOV'T

H. K. Thompson, of the law department, Canadian General Electric Co., Ltd., has been loaned by his company to the government. He has been appointed associate director general in the munitions contract branch.

Can. Invest. Fund Changes Holdings

Canadian Investment Fund, Ltd., management type of investment trust, has issued its annual report for 1941, which shows net asset value of shares 9.18% lower at the end of 1941 than at the beginning of that year.

This trust has the larger proportion of its holdings in base metals and heavy industries at the year-end. The former accounted for 20.34% of its holdings and the latter for 17.68%. Dominion and corporation bonds were 4.42% of the total and prefererred stocks 1.91%.

Summary of changes made in the last quarter of 1941 follows:

Additions	Shares
Canadian Securities:	
National Steel Car	325
Noranda Mines	500
U. S. Securities:	
Crown Zellerbach	2,100
General Motors	2,000
Montgomery Ward	1,000
Sherwin-Williams	200
Deletions	
Canadian Securities:	
Hudson Bay Mining	500
Ogilvie Flour	700
Page-Hersey	200
C.P.R., 3%, 1945	...
U. S. Securities:	
E. I. DuPont	500
Union Carbide	1,000

Corporate Investors Makes Changes

Portfolio changes made by Corporate Investors Ltd. in the last six months of 1941 show several additions, or purchases of additional amounts of securities already included in the trusts list. Proportion of government bonds held is reduced from 13.2% of the total at June 30 last to 2.6% at Dec. 30, 1941. Corporation bonds are practically unchanged.

Preferred stocks now make up 31.2% of the portfolio compared with 26.4% six months earlier and common stocks are 63.3% against 57.8%.

Summary of changes in securities held by Corporate Investors follows:

Additions

Common stocks:
Aluminum Ltd.
Dominion Bridge
Bathurst Power
Consumers' Gas
Fanny Farmer
Lake of Woods
Preferred stocks:
Canada Steamship
English Electric
Howard Smith
Sherwin-Williams
Tip Top Tailors
National Grocers
Corp. bonds:
Consolidated Paper

Deletions

Dosco 6½%, '55
Donnacona 4½%, '56
Dom. of Can. 3%, '49-52

Industrial Alcohol Boosts Earnings

MONTREAL.—Sharp increase in both gross and net earnings is reported by Canadian Industrial Alcohol Co. and subsidiaries for the three months ended Nov. 30, 1941, the first quarter of the company's current fiscal year.

Net profit at $148,223 was equal to 13 cents a share on the capital stock. ($100,105, or 9 cents for the period a year ago).

Profit and Loss Account
Three Months Ended Nov. 30

	1941 $	1940 $	1939 $
Oper. profit	356,532	214,467	132,253
Misc. income	11,138	4,436	4,783
Total income	367,670	218,903	137,036
Less: Exec. sals.	8,993	9,293	9,177
Insurance	....	6,887	....
Loan interest	172	2,610	....
Deb. interest	....	....	661
Depreciation	39,389	39,619	39,685
Taxes	170,893	60,386	19,644
Net profit	148,223	100,105	67,874

N. B. Power Board Output Higher

From Our Own Correspondent

MONTREAL. — New Brunswick Electric Power Commission during 1941 increased deliveries of power for commercial, domestic and rural service.

Year's revenue totalled $1,413,523, an increase of $139,058 over the previous year. After all charges, including interest, surplus was $50,639, which, when applied against accumulated deficit of former years, reduced the amount to $483,873.

Total energy output was 86,310,405 kw.h., increase of 12% and the largest production in Commission history.

The turbo-generator is now under construction and preparation is being made at the Grand Lake station for installation.

IN CONSTRUCTION JOB

J. Hastie Holden, manager of Geo. W. Reed & Co. Ltd., Montreal, who has been elected honorary secretary of the Canadian Construction Association.

Investment Notes

Hinde & Dauch president, Sidney Frohman, states that continuation at the production rate established in the last quarter of 1941 would mean new records again this year. The catch is whether or not overall demand will continue and whether raw materials and supplies can be obtained. He suggests some decline in civilian orders due to consumption restrictions, offset by continued gain in war needs. Current raw material and supply situation is causing "much anxiety." Definite shortages exist, particularly in waste paper, with some qualities definitely below standard. Costs are rising and are likely to continue to do so more rapidly as the war period extends.

• • •

Canadian Pacific is one of the few cases where large scale accumulation of securities has taken place in New York this year to date, according to The Trader in Barron's. He cites the accumulation of 75,000 shares of C. P. R. as an exception to the general lack of important interest in securities.

• • •

Langley's Ltd., dry cleaning and laundering organization, has declared a total of $2 a share on its 7% preferred, payable in four quarterly installments of 50 cents each on March, June, Sept. and Dec. 11, 1942, to shareholders of record the 2nd of each month. Arrears at Feb. 15, and after allowing for the March 11 payment, will be $45.75 a share.

• • •

Ontario Steel Products has declared another dividend of 25 cents a share on its common, payable Feb. 16 to shareholders of record Feb. 7. This is the same rate as the last previous payment on Nov. 15, and brings dividends to date for the year which ends July 30 next to $1 a share and suggests total payments at least as much as the $1.25 a share paid for the past fiscal year.

• • •

Winnipeg Electric announces appointment of George T. McIntosh, manager of personnel, to the post of executive secretary. Mr. McIntosh succeeds Lawrence Palk, who has been executive secretary for the past 23 years and employed by it for 37 years. Mr. Palk is resigning because of ill health.

• • •

Humberstone Shoe Co. has deferred payment of a dividend at this time. Directors state their hope that this action may be only temporary but have decided cash should be held because of price freezing and impounding of the company's stocks of crepe rubber. The regular payment of 25 cents a share was due Feb. 1.

• • •

Seagram's—Sales figures for the quarter ended January 31, last, while not yet completed, are said to show continuation of the gains shown recently.

Market Opinions

Despite lack of decisive change in stock prices or the major factors governing them, some difference of opinion is indicated

Trends
IN INVESTMENT

Two simple measures that would go a long way toward overcoming the handicap under which most shareholders labor because of the way in which many annual reports are presented are these.

Financial statements can be made truly comparative. It takes very little more paper or work to show last year's balance sheet lined up so that it can be compared at a glance. The same thing applies to the statement of income and expenditure, profit and loss, or whatever it may be termed.

Greater pains can also be taken to separate the income account from the surplus account. Income taxes, for example, are a proper charge to the current year's operations. Yet many annual reports show them charged to surplus. Another item that the shareholder wants to know more about is whether or not dividends paid during the year were actually earned from the year's operations or resulted in a charge against previously accumulated surplus. There is no real barrier to a definite separation of items properly belonging to the current year's operations from those that legitimately affect previously accumulated balances.

• • •

Canada's chartered banks have now all issued annual reports covering 1941 operations. They are interesting for the holder of bank shares in the consistency with which almost all have shown virtually no gains, or even decreases, in earnings since the war started.

Tax requirements by nine Canadian banks in 1941 totalled $9.1 millions, a rise of over $1 million from 1940. The group shows net profits aggregating $13.1 millions, a decline of $1.1 million from the previous year.

Earned per Share*

	1941 $	1940 $	1939 $
Montreal	8.16	8.15	8.23
Royal	8.03	8.29	9.07
Commerce	8.03	8.01	8.11
Nova Scotia	12.34	12.43	13.28
Toronto	18.69	17.41	18.74
Imperial	10.32	10.16	10.23
Dominion	10.06	10.04	8.78
Can. Nationale	9.81	9.82	9.90
Provincial	6.03	6.03	7.42

*After all charges, including amount written off bank premises.

• • •

Each business has what is termed a "natural business year" and very often this does not coincide with the calendar year ending Dec. 31. But perhaps 75% of all companies have adopted Dec. 31 as their own fiscal year-end, though it is frequently anything but the ideal time for taking inventory and closing books.

The Canadian Chartered Accountant advocates more widespread adoption of the "natural business year," that is the time of the year when the business is at its lowest ebb, and has completed a full cycle of operations. A Natural Business Year Council has been formed in the United States to study just this problem and it is ready to advise wherever trouble is encountered.

The Canadian Chartered Accountant recommends the "natural" year-end on the two grounds of aiding the business itself and levelling out the year-end peak load now met by the accounting profession. Such a policy would go a long way toward eliminating the prevailing acute shortage of qualified chartered accountants.

T.C.A. 1941 Traffic Jumps Sharply

Heavy increases in all of its big revenue lines during 1941 was registered by Trans-Canada Air Lines. Passengers carried by the service during 1941 totalled 85,154, over 50% better than the 1940 mark of 53,180.

Air express traffic showed a similar increase to 173,192 pounds from 88,214 in 1940. Canadians also sent a much heavier quantity of air mail, Trans-Canada handling 1,389,614 pounds as compared with 927,037 pounds in the previous year.

"FULL EMPLOYMENT" AND MATERIAL SHORTAGES

MORE RESTRICTIONS AND FEWER COMFORTS ON "HOME FRONT"

Says **J. A. McLeod**

***President*—THE BANK OF NOVA SCOTIA AT 110th ANNUAL MEETING**

In his annual address on February 4th, in which he discussed the business picture and outlook, including the effects of shortages and war demands on civilian life, Mr. McLeod said in part as follows:

"Let us face the unfolding implications of total war and recognize clearly that the present year will not be an easy one. Whatever it may hold in the military sphere, it will bring much increased pressure in the economic sphere—it will demand more and more effort and it will provide less and less of the material comforts and conveniences which we customarily take for granted. It will mean extended controls and increased regimentation. If there are many who still think war and prosperity can continue to go hand in hand, they are likely to find their illusions shattered.

J. A. McLEOD

"Ordinarily it would be hazardous to speak with such assurance of the economic trends of the opening year. But because we know that the demands of war are insatiable and because there are limits to our human and material resources, we can today see the broad trends with a fair degree of clarity, for the signs of the past year can scarcely be mistaken.

"The past year has brought two developments which are inevitable in the economics of war and which have basically altered the business picture. The first is that we have reached in effect a condition of "full employment." The second, which is closely related to the first, is the increasing degree of shortage in supplies of industrial materials."

"Full Employment"

"On this occasion last year, I pointed out that we were steadily approaching a condition of 'full employment' and defined it as a state of affairs where there is work for all of the capable and adaptable unemployed. For all practical purposes this state has now been reached. There is scarcely any unemployment of employable persons and the easily available reserves of labour have been largely utilized. Women have been entering the working force in large and growing numbers, thereby releasing men for the armed forces or for more essential tasks in war industry. More than that, labour has been drawn out of the less remunerative occupations, notably in the cases of farm labour and domestic service. While there are still reserves of labour that can and will be gradually utilized, the fact is that we are beginning to see a general shortage of manpower as well as the more acute shortages of certain types of skilled labour which have existed for some time."

Shortages of Materials

"In conjunction with 'full employment' we have also experienced growing shortages of many basic materials and supplies. Our war production has been expanding rapidly and consuming mounting quantities of steel, base metals, fuels, and so forth. At the same time the rapid increase in the American defence program, now superseded by a tremendous war program, has accentuated shortages in two ways: it has made imported supplies of steel, machinery and other essential materials more difficult to get and has added greatly to the already large export demand for base metals and certain other materials. In addition, the shortage of ocean shipping has much increased the problem of obtaining a number of imported raw materials, and now the spread of the war to the Far East brings aggravated supply problems for such things as rubber, tin, hemp and wool.

"In the last few months, almost everyone has become aware of shortages of materials, for so many of them centre around the automobile, that symbol of the North-American standard of living. Controls and regulations designed to restrict and even to cut off non-essential uses of critical supplies are multiplying and their effects are to be seen throughout the economic structure."

Fewer Comforts and Conveniences

"It is no accident that growing shortages of supplies and full employment should have developed together. They are the two main parts of the fundamental problem of war which may be best stated in a single word—shortage. The plain fact is that our human and physical resources are limited and we have reached a point when those limitations are making themselves felt. Many civilian industries are faced with restricted supplies of materials and in some cases this means a drastic curtailment in their output. A number of industries are having increasing difficulty in keeping their workers: in the case of agriculture, for example, the problem is an acute one. We are entering a more stringent phase in our war economy—a phase in which much of the further increase in the war effort must perforce be at the expense of civilian production and service. In short, we on the 'home front' will have to get along with more restrictions and fewer comforts and conveniences in order that those on the battle-fronts may have the reinforcements, the weapons and supplies which they so greatly need."

C

THE VICTORIA TRUST AND SAVINGS COMPANY

LINDSAY, ONTARIO

Balance Sheet — December 31st, 1941

ASSETS

CAPITAL ACCOUNT		
Office Premises and Land, Lindsay and Cannington		$ 26,700.00
Other Real Estate—		
Farm Properties		84,330.77
City Properties		144,597.67
Advances to Estates and Agencies Under Administration		21,623.27
Property Equipment		3,975.00
Mortgages and Agreements For Sale—		
Principal	$1,091,756.52	
Interest Due and Accrued	38,131.77	1,129,888.29
Bonds and Debentures—		
School District and Rural Telephone Bonds	26,052.38	
Canadian Corporation Bonds	4,950.00	
Foreign Government Bonds	21,590.00	52,592.38
Stocks		1,811.00
Loans on Company's Stock		10,251.71
Loans on Other Securities		27,656.19
Cash on Hand and in Bank		50,321.21
Total Capital Assets		$ 1,553,749.49
GUARANTEED TRUST ACCOUNT		
Mortgages—		
Principal	$5,235,591.28	
Interest Due and Accrued	152,852.96	5,388,444.24
Bonds and Debentures—		
Government and Government Guaranteed Bonds	834,950.01	
Canadian Municipal Rural Telephone and School District Bonds	277,486.89	
Canadian Corporation Bonds	294,399.11	
Foreign Corporation Bonds	16,080.83	
Foreign Government Bonds	29,930.00	1,452,846.84
Stocks		320,076.97
Loans on Other Securities		9,140.92
Cash on Hand and in Banks		150,425.08
Total Guaranteed Trust Assets		$ 7,320,933.65
ESTATES DEPARTMENT		
Investments, etc., held in Trust for Estates and Agencies		1,836,073.11
		$10,710,756.25

LIABILITIES

CAPITAL ACCOUNT	
Capital Stock Subscribed and Fully Paid	$ 810,000.00
Reserve Fund	300,000.00
Investment Reserve	385,000.00
Reserve for Federal Income and Excess Profits and Provincial Taxes payable 1942	22,589.61
Dividend Declared and Payable January 2, 1942	8,100.00
Due to Mortgagors	2,070.50
Balance at Credit of Profit and Loss Account	25,989.38
Total Capital Liabilities	$ 1,553,749.49
GUARANTEED TRUST ACCOUNT	
Guaranteed Investment Receipts	$ 5,506,572.65
Trust Deposits	1,814,361.00
Total Guaranteed Trust Liabilities	$ 7,320,933.65
ESTATES DEPARTMENT	
Estates Trusts and Agency Account	$ 1,814,447.84
Due to Company Funds	21,625.27
	$10,710,756.25

W. FLAVELLE, President.

C. E. WEEKS, Managing Director.

AUDITORS' CERTIFICATE

We have audited the Books and Accounts of The Victoria Trust and Savings Company for the year ended December 31st, 1941, verified the Investment Securities, Cash on Hand, and the Balances in Banks. We have, after due consideration formed an independent opinion of the Company as at December 31st, 1941, and we certify that in our opinion so formed, according to the best of our information and the explanations given us, the accompanying Balance Sheet with the related Profit and Loss Account sets forth fairly and truly the position of the Company on that date.

We certify that all transactions of the Company that have come within our notice have been within the powers of the Company.

LINDSAY, Ontario, January 13th, 1942.

RUTHERFORD WILLIAMSON (F. C. A.)
HAROLD A. SHIACH (F. C. A.)
Auditors.

FEATURES
in the February issue
THE CANADIAN CHARTERED ACCOUNTANT

The fiscal year and the natural business year of companies
Administration of price control
Internal audit fundamentals
Wartime gold production
Salvage of waste materials
Current accounting literature
Students' accounting problems

Published monthly. $3.00 per annum. Subscription open to all. Publication Office, 10 Adelaide Street East, Toronto.

NEW APPOINTMENT

A. B. Ramsay, B.A., LL.B.

Appointed Trust Officer of Guaranty Trust Company of Canada at Toronto. For the past five years Mr. Ramsay was Chief Trust Officer of the Central Trust Co. of Canada. A graduate of Dalhousie University Mr. Ramsay was awarded the University Gold Medal, the highest distinction in the Faculty of Law.

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Single room with bath, $3.50.
Single room with tub and shower combination, $4.00.
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Double room with bath, $5.00.
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Twin bedrooms with tub and shower combination, $6.00.

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War Hits Provincial Finance

Provinces Midway Between Sirois and Former Power

By R. C. STARK

Need for reappraisal of provincial finances by bondholders is being brought increasingly close by wartime restrictions and rationing policies. Canadian provinces are faced with the necessity of maintaining services while their field for revenue collections is being materially restricted.

This problem was brought out in the recent budget of Premier John Hart of British Columbia, who said of the Dominion-provincial tax agreement:

> ". . . it is a measure designed to facilitate the nation's war effort, and one that, during the emergency, may affect appreciably our financial policy. Among other things it provides for the temporary surrender to the Dominion, in exchange for a fixed subvention — the income and corporation tax fields — or those revenue sources that best reflect industrial and economic expansion. The province, therefore, is left with a fixed income from this source, and other revenue sources which, pursuant to war conditions, are subject to contraction; these have to provide for possible and probable expanding services. This is a condition that will have to be borne constantly in mind when considering commitments."

License Revenues

Most important source of provincial revenue now subject to contraction due to Federal wartime policies is that of motor vehicle licenses. Gasoline rationing may mean that many Canadians this year just will not bother to take their car out of the garage. Premier Hart mentioned the possibility that "wartime restrictions may affect greatly the provincial income derived from motor vehicle licenses."

Under the terms of the Dominion-provincial agreement, provinces will suffer no revenue loss from any decrease in their gasoline tax revenue. That agreement provides that if receipts from the gas tax should fall below the amount received during 1940-41, the Dominion government guarantees to make up the difference involved.

Seek Guarantee

Representations have been made to Ottawa asking for a guarantee similar to that of the gasoline tax, against possible losses in income from motor vehicle licenses, in the event that receipts should fall off due to war restriction. The Federal government, however, has not seen its way clear to accede to that request.

On another important provincial revenue front, that of liquor, rumors of restrictions have been rife.

In a letter to provincial premiers Hon. J. T. Thorson, minister of war services, noted that delegations to Ottawa have urged that the Dominion government take steps toward liquor prohibition under the War Measures Act.

Provinces have been strongly against the Dominion taking any action in view of the heavy revenue loss they would suffer. Finance Minister Ilsley this week assured them that the Federal government does not intend to regulate the sale of liquor. This statement would not seem to remove entirely the possibility of some control being exerted on supply, however, such as by increase in import duties or diversion of domestic alcohol output to war use.

The fear of the provinces here is that under the price ceiling regulations, provinces might have to absorb any increase in taxes, thereby reducing the margin of profit.

Importance of those two sources of revenue alone to every Canadian province is shown in the following table which, along with the approximate annual revenue derived, shows percentage of receipts from both sources to total ordinary provincial revenue.

	Liquor	Motor licenses	% of total revenues
	Millions of $		
B. C.	4.5	3.0	23
Alta.	3.1	2.9	24
Sask.	1.4	1.4	12
Man.	1.7	1.2	16
Ont.	12.0	9.5	20
Que.	8.3	6.6	23
N. B.	1.6	1.4	29
N. S.	2.2	1.3	26
P. E. I.	0.04	0.2	12

Municipal Question

Further inroads into provincial revenue sources could also have a material influence on municipal financing. The provinces are keeping out of the financial markets as much as possible to leave the way clear for floating war loans. With an appreciable reduction in provincial revenues from liquor and motor vehicle licenses, there would be a real possibility of grants to municipalities being cut.

Premier Hepburn protests at a principle of government that encompasses raising revenue by one responsible body and distribution by another. He is quoted as saying:

> "Rather than depend upon alimony from Ottawa for the maintenance of our system of grants for social services, it would be much better if Ottawa would assume the whole cost and do away with the whole system of grants."

Burdens Added

The provinces have generally agreed to keep out of the money markets for all financing except refunding to leave the field clear for war purposes. Whether or not they will be able to maintain that agreement, does not gainsay the fact that their position, insofar as bondholders are concerned, has deteriorated. The corporation and income tax revenue source has lost its capability for expansion while other important sources are at the mercy of the Dominion government and its war policies.

Hostilities have meant new burdens to the provinces. They are playing a definite part in the war effort through training programmes, in some cases donating buildings for the training of armed forces, laboratory work, and in other ways.

Priorities unemployment may well become a factor to be reckoned with in increasing measure this year as production stoppages in non-essential industries may deal a serious, if temporary blow, to employment in certain communities. Since last spring unemployment relief allowances have been the concern of the provinces and municipalities as the Federal government ceased to contribute March 31, 1941.

Status in Doubt

Net result of the changed conditions appears to put the provinces financial affairs, hence the status of their bonds on a middle ground somewhere between the recommendations of the rejected Rowell-Sirois report and the freedom of action formerly enjoyed. The new position lacks certain advantages inherent under either status.

Sirois would have restricted the elasticity of provincial revenue-raising powers, but would have guaranteed existing debt through assumption by the Dominion.

The pre-war status did not guarantee debt, but left the provinces with flexibility in their revenue sources.

The present status freezes a large part of provincial revenues, war conditions leave other revenues open to question and militate against tax increases, but there is no guarantee of the provincial debt outstanding.

Under the circumstances, the true value of provincial obligations would appear to depend on favorable action by the Dominion, a change in conditions which would permit the provinces to return to "normal" operations, or fulfillment of the Sirois recommendations.

Company Reports

Hinde & Dauch

In 1941, Hinde & Dauch Paper Co. of Canada had "its most active and profitable year since establishment in 1909," Sidney Frohman, president, told shareholders in the annual report. Mill production at over 86,000 tons was 10,680 tons above any previous year and box factory output was similarly higher.

Last year Hinde & Dauch cut its bond debt by $150,000 to $300,000. The balance is due in installments in May, 1942, 1943 and 1944. The company spent $99,667 on improvements or replacements last year and $300,000 on maintenance.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Operating profit	1,338,299	924,664
Less: Depreciation	194,700	188,342
Bond interest	12,000	19,333
Income tax	635,000	300,000
Net profit	496,599	416,989
Less: Dividends	187,458	149,967
Surplus for year	309,141	267,022
Add: Previous surplus	2,079,434	1,772,549
Gain on assets sale	5,713	707
Gain on invest. sale	112	......
Expense adjust	......	34,000
Income tax adj. 1939	......	7,262
Less: Addit. 1940 tax	713	......
Life insur. cost (net)	2,110	2,107
Earned surplus fwd.	2,391,577	2,079,434
Earned per Share	$1.66	$1.40
Paid	0.62½	0.50
Shares O/s., n.p.v.	299,933	299,933

Working Capital

	1941	1940
	$	$
Current assets	2,583,031	1,939,305
Current liabilities	836,936	453,695
Working capital	1,746,095	1,485,610

Equitable Life

The annual report of the Equitable Life Insurance Co. of Canada shows:

New business up 13%.

Insurance in force almost $1 million higher.

Total assets up almost $500,000.

An increase in total income.

The volume of insurance in force on Dec. 31 was $42.2 millions compared with $41.3 millions the year before. New business written during the year was approximately $3.2 millions compared with $2.8 millions in the previous year.

	1941	1940
	$	$
Insurance in force	42,220,025	41,375,116
Total income	1,893,728	1,813,590
Policy payments	866,210	781,758
Assets	13,181,259	12,695,621
Taxes, licenses, etc.	34,506	30,369
Other expenses	300,160	275,849
Policy reserves	11,434,899	11,053,488
Inv. & conting. res.	400,000	382,500
Interest earned	5%	5%

Catelli Food

For the year ended Nov. 29, 1941, Catelli Food Products reports total income of $166,484 ($320,827 in 1940). The sharp decline reflects virtual elimination of overseas exports. After all charges, net profit on the common was 12 cents a share ($1.96 in 1940).

Working capital position shows excess of current liabilities over current assets of $27,092—an improvement over 1940, when the unfavorable balance was $69,271. Bank loans rose from $100,000 to $400,000. Idle plants, etc., were written down from $256,035 to $97,736 and in consequence fixed assets now stand at $2,038,935.

Income and Surplus Account
Years Ended

	Nov. 29 1941	Nov. 30 1940
	$	$
Operating profit	137,148	308,128
Add: Invest. rev.	4,433	4,619
Profit sale securities	......	1,478
Non-oper. income	24,902	6,601
Total income	166,484	320,827
Less: Depreciation	73,078	80,001
Exec. salaries	23,200	27,301
Directors' fees	4,150	4,150
Legal fees	840	45
Non-oper. exps.	22,451	14,714
Income taxes	8,529	76,000
Net profit	34,237	118,615
Less: Pref. dividends	28,781	28,780
Common dividends	11,476	22,951
Surplus for year	*6,020	66,884
Add: Prev. surplus	†175,409	140,705
Adjustments	......	3,153
Less: Invest. res.	9,273	8,710
Surplus forward	160,116	202,032

†Reduction of $26,623 from earned surplus as at Nov. 30, 1940, represents an adjustment of net profit for the year ended on that date, resulting from revision of depreciation, inventories and reserve for income taxes. *Deficit.

Earned per Share:		
Preferred	$0.89	$3.09
Paid	0.75	0.75
Common	0.12	1.96
Paid	0.25	0.50

Working Capital

	Nov. 29 1941	Nov. 30 1940
	$	$
Current assets	600,448	538,492
Current liabilities	627,540	607,763
Working capital	‡27,092	‡69,271

‡Excess of current liabilities over current assets.

Shawinigan Water & P.

Shawinigan Water & Power Co. gross revenue in 1941 of $20,064,283 established an all-time record and compared with $17,064,714 in 1940. After increase of $829,140 in all taxes and an additional $400,000 for depreciation, net profits were $2,320,263, or $1.06 a share ($2,064,942, or 95 cents in 1940).

James Wilson, president, states that St. Maurice Power Corp., in which Shawinigan owns a half interest, is now at full capacity. Shawinigan Chemicals plant and equipment were greatly expanded and $256,000 was carried forward to surplus after taxes and depreciation, as a result of the year's operations.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Operating revenue	19,111,277	15,762,141
Other revenue	953,006	1,302,573
Total revenue	20,064,283	17,064,714
Less: Oper. expenses	1,470,186	1,302,468
Power purchased	3,485,991	2,339,693
Main. & repairs	1,127,915	871,821
Taxes (other than income)	1,093,939	1,040,799
General exps.	1,550,008	1,480,217
Water stor. rentals	481,407	500,736
Operating profit	10,854,837	9,528,980
Less: Bond int.	4,018,574	4,124,038
Depreciation	2,400,000	2,000,000
Inc. & profits taxes	2,116,000	1,340,000
Net income	2,320,263	2,064,942
Less: Dividends	1,960,425	1,960,425
Surplus for year	359,838	104,517
Previous surplus	*2,201,151	*2,150,041
Surplus forward	2,560,989	2,254,558
Earned per Share	$1.06	$0.95

*Less adjustments.

Working Capital

	1941	1940
	$	$
Current assets	9,157,227	10,609,374
Current liabilities	5,117,517	3,831,480
Working capital	4,039,710	6,777,894

Dom. of Canada General

Features of the annual report of the Dominion of Canada General Insurance Co. for 1941 are:

An increase in assets.

Higher total income.

A gain of 10% of life insurance force.

New life insurance written by the company in 1941 was $2.3 millions compared with $2 millions the year before. Insurance in force rose $1.4 millions to $16.1 millions.

Total company income was over $2 millions, a gain of about $24,000.

Income in the life department was $542,045 and expenditures $146,105. Total assets rose $338,000 to $5.9 millions. After payment of all expenses including premium taxes and making provision for other taxes and paying the usual dividend of 6% and a bonus of 3%, the surplus account gained $13,006.

	1941	1940
	$	$
New life ins.	2,350,000	2,082,000
Ins. in force	16,192,000	14,743,000
Total inc.	2,058,494	2,034,989
Total assets	5,957,509	5,618,742
P'holders surplus	2,024,882	2,011,876

Real Estate Loan Co.

Real Estate Loan Co. of Canada Ltd., Toronto, had net profit in 1941 of $2.39 a share compared with $2.30 in 1940. Gross income was some $6,000 lower but reserves during the year were lighter.

Continued redemption of sterling debentures is shown with total being down $41,000 from a year ago. Real estate held for sale, less reserves, is down to $312,901 from $421,018. Cash has doubled to $109,234.

Annual meeting will be held at head office of the company in Toronto, Feb. 13.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Inc. from invs., etc.	62,364	68,356
Less: Int. paid	24,231	26,756
Exps. money borrowed	1,038	730
Mgmt. & dirs. fees	14,796	14,088
Taxes	4,306	3,940
Real est. res.	6,000	10,000
Invest. res.	......	1,000
Mtge. res.	......	317
Net profit	11,993	11,524
Less: Dividends	10,000	10,000
Surplus on year	1,993	1,524
Add: Previous surplus	16,613	15,089
Surplus forward	18,606	16,613
Earned per Share	$2.39	$2.30
Paid	2.00	2.00

Liabilities to Public
As at Dec. 31

	1941	1940
	$	$
Debentures & int.	573,190	617,898
Secured by:		
Liquid assets	153,558	91,673
Mtges. & int.*	851,203	854,161
Other net assets	295,833	403,678
	1,300,594	1,349,512

*After deducting reserve of $60,000.

February Dividends Are 10% Lower

This year is starting off with a drop in total dividend payments by Canadian companies as estimated by The Financial Post. January saw a decline of only $74,000 but February is down about $1.1 million from the corresponding month a year ago. For the first two months the drop is just over $1.1 million.

The list this month includes a number of extras. Canadian Bronze is paying 50 cents a share. Cosmos Imperial comes through with 15 cents, as does Rolland Paper. Five cents a share is being paid as an extra by Lamaque Gold, Quinte Milk Products and John Bertram & Sons. Toburn Gold and Privateer are each paying one cent.

General Steel Wares is paying 25 cents a share on its preferred as a participating dividend. Bruck Silk is paying 10 cents a share, first payment since the same amount was distributed in 1937. Sherwin-Williams has ended a ten-year period of no common dividends with declaration of 15 cents a share on its common. Caldwell Linen is paying its initial dividends on its first and second preferred stocks. One company, Humberstone Shoe, has omitted a payment ordinarily due at this time.

Monthly Dividends

	1942	1941
	$	$
January	22,952,057	23,026,402
February	9,618,377	10,655,895
Total	32,570,434	33,682,297

Summary of February Payments

	1942	1941
	$	$
Dividends	9,618,377	10,655,895
Bond interest	20,893,000	20,893,000
Total	30,511,377	31,548,895

Industrials and Utilities

Company:	Rate	Date	Amount
	$		$
Anglo Can. Tel., pf.	.68¾q	2	56,787
Atlas Steels	.15q	1	25,032
Ault & Wiborg, p.	1.37½q	2	6,182
Beatty Bros., 1st pf.	1.50q	2	14,944
Bertram & Sons	.15s	15	9,000
Do., extra	.05	15	3,000
Blue Ribbon, pfd.	.62½q	2	18,656
B. C. Telephone, 2nd p.	1.50q	1	67,500
Bruck Silk Mills	.10	25	12,500
Caldwall Linen, 1st p.	*.38	1	5,700
Do., 2nd pref.	*.20	1	5,000
Calgary Power, pf.	1.50q	2	88,500
Can. Bronze	.37½q	2	30,000
Do., extra	.50	2	40,000
Do., pref.	1.25q	2	9,375
Can. Pac. Rly., pfd.	2%	1	2,745,138
Coast Breweries	.03	2	54,094
Conduits National	.25	2	40,200
Cosmos Imperial	.30q	14	30,000
Do., extra	.15	14	15,000
Crown Cork	.50	16	50,000
Dist. Corp. Seag., p.	†1.25q	2	196,337
Dominion Bridge	.30q	25	154,185
Dominion Tar, pfd.	1.37½q	2	69,231
Eastern Steel, c.	1	2	58,000
Famous Players	.25q	27	107,631
Gen. Steel Wares, p.	1.75q	20	78,750
Do., participating	.25	20	11,250
Granby El. Web, p.	.69q	1	6,679
Hyd. El. Secs., B, p.	.25	1	167,915
Inter. Metal, pfd.	1.50q	2	46,230
Do., pref., A	1.50q	2	21,577
Loblaw Groc. Inc.	†.25q	28	84,873
Melchers Dist., pfd.	.30s	16	37,500
Ont. Steel Prod.	.25	16	12,110
Do., pref.	1.75q	16	6,304
Penmans	.75q	16	48,388
Do., pref.	1.50q	2	16,125
Power Corp.	.15	2	66,953
Prov. Transport	.20s	16	50,000
Quebec Power	.25q	25	138,299
Quinte Milk	.10s	2	4,250
Do., extra	.05	2	2,125
Rolland Paper, c.	.15	14	14,988
Do., extra	.15	13	14,988
Saguenay Pwr., p.	1.37½q	1	68,750
Shawinigan W. & Pr.	.23q	25	500,997
Sher.-Williams, c.	.15	2	30,000
Simpsons, pref.	1.62½q	2	182,812
South. Can. Power, c.	.20q	16	79,998
St. Law. Flour	.35q	2	12,600
Do., pref.	1.75q	2	10,062
Steel of Can.	.75q	2	345,000
Do., pref.	.75q	2	194,889
Weston, Geo., pref.	1.25q	2	21,875
Wood, A. & J., pref.	1.75q	1	11,375
York Knitting	.20s	16	45,820
Do., 1st pref.	3.50s	16	5,250
Do., 2nd pref.	3.50s	16	10,500
Total			6,261,224
Mining Companies			
Coniagas Mines	.10	26	71,940
Grandview Mines	.01	15	29,997
Hedley Mascot G.	.02q	16	45,282
Inter. Nickel, pfd.	†1.75q	2	483,486
Kerr-Addison	.05	28	236,515
Lamaque Gold	.10q	2	300,000
Do., extra	.05	2	150,000
Leitch Gold	.02q	16	57,000
Privateer Mine	.03q	10	73,622
Do., extra	.01	10	24,541
Proprietary Mines	.05	28	49,365
Teck-Hughes	.10q	2	480,714
Toburn Gold	.03q	23	55,500
Do., extra	.01	23	18,500
Total			2,076,462
Oil Companies			
Canadian Oil, c	.25q	16	35,941
Commoil	.01	27	9,701
Total			45,642
Financial			
Can. Bk of Commerce	2q	2	600,000
Can. & For. Secs.	.06a	2	27,000
Can. Invest. Fd., sp. ord.	.05	2	113,737
Can. Investors	.10q	1	10,000
Commonwealth Int'l.	.04q	16	6,197
Dominion Bank	2.50q	2	175,000
Imperial Bank	2.50q	2	175,000
Mtge Corp., N. S.	1.25q	2	8,500
North. Mortgage	.50	2	15,000
Royal Trust	.80q	2	80,000
Sherbrooke Trust	1.50q	1	4,500
United Corp., A	.38q	16	20,115
Total			1,235,049
Grand total			9,618,377

q—Quarterly. s—Semi-annually.
a—Annually. *Initial. †Payable.

GESTETNER

TOBRUK

For nearly six months the printing for the besieged garrison of Tobruk was done by a junior model Gestetner.

Daily it did its work, included in which was the printing of a newspaper "the Tobruk Truth" which contributed much towards maintaining morale by distributing current news.

Despite intense heat, sandstorms, shell fire, bombs, under continuous attack, night and day, their Gestetner continued to do its daily tasks until it was finally destroyed by a direct hit a few days before the siege was lifted.

Could a more severe test of British quality and toughness be imagined?

Many thousands of similar Gestetners are daily performing tasks of endurance with our own and allied forces in all parts of the world.

Besides those on active service, tens of thousands more are performing less arduous but equally important tasks in government and commercial offices throughout the Empire.

Britain continues to deliver the goods and can supply your demands.

D. GESTETNER (CANADA) LIMITED
117 King St. W. Toronto
Factory Branches in All Leading Cities.

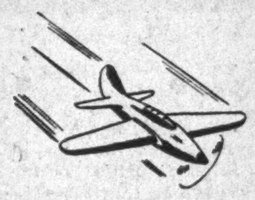
Bond Redemptions

Bond issues:	Rate	Year	Due	Price
Inter. Paper,	A *6%	1955	Mar. 1	105
Acadia Sugar	... †4½	1955	Apr. 1	102

*$419,500. †$24,000.

Bond Tenders

8 p.m., Feb. 14, Sch. Mun. of Buckingham, P.Q.—$17,000, 4% dated Jan. 1, 1942, redeemable serially 1943 to 1953. C. P. Lahaie, sec.-treas.



STOP this Daily Raid on nerves — with Remington NOISELESS

The daily raid starts when you walk into the office—ends only when you leave. Sometimes its results even follow you home. It's a steady din that lowers the efficiency of executives one third, that robs typists of 19 per cent of their potential productive efforts. You waste energy all day trying to overcome it; result—poor health, absences, over-time and errors. The source of this constant, destructive force is the prime noise maker in business offices today—the old-fashioned, hammer-blow typewriter. You can stop this daily raid on nerves the Remington Noiseless way!

Executives, clerical workers, typists, all benefit directly from the use of Remington Noiseless Typewriters. Typebars press firmly against the paper instead of slapping it. You get *typing perfection with silence.* This patented, pressure printing and lightning typebar action is not only silent, but it produces beautiful looking correspondence day in, day out. That's a combination hard to beat. So try Remington Noiseless in your office, on your work. Find out what the Remington Noiseless way can do for your business.

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It's Remington NOISELESS NOW!

The Editorial Page . .

Needed—A Wheat Appraisal

Pressure delegations to Ottawa will publicize but cannot solve Canada's wheat problem. This is a matter for clear headed, practical appraisal of what was once Canada's greatest single industry but which for the time being at least, has slipped down the list.

Canada's main job today is to do her fullest possible part in winning the war. At the same time we hope to do this with no more violence than necessary to our post-war economy.

Wheat plays a part both in winning the war and in laying the foundations of peace.

We need wheat now to feed ourselves, the mother country and some of our allies. We need too an accumulation either to encourage the starving nations of Europe to rise against Hitler and allow us to feed them, or to have it ready for them when we march in.

Whether we shall in this generation ever be able to sell all the wheat the west wants to grow is problematical. The decline of our markets started long before the war. But because a large part of Western Canada is peculiarly adapted to wheat and so far little else, it is bound to play an important part in our post-war economy. On this account it is to our national advantage to maintain our wheat-growing machinery in good repair.

These are the facts and the only facts that the government need keep in mind.

If Ottawa is satisfied that the present price is permitting wheat to accomplish the triple function mentioned, then no further encouragement can be justified when every dollar is needed for total war. Moreover, any extra encouragement now would almost certainly reverse the present highly desirable stabilizing trend towards diversified agriculture in marginal wheat areas of western Canada.

On the other hand, however, if there is clear evidence that the present price for wheat will not keep the economic parts of our wheat growing machinery in proper repair or that our present substantial accumulation is not big enough for its special war jobs then a higher price may have to be found, one way or another.

Can Salaries be Frozen

According to the Minister of Finance, it is "unpatriotic" for people to "shop around" from one company to another for higher salaries. Such action, he feels, tends to defeat the purposes of the government's order freezing salaries, except where promotions take place.

Theoretically, it should be possible to freeze salaries. In practice, it is very difficult to do so.

For example, one of the factors pushing salary levels upward is the opening up of many wartime government bureaus. In countless cases, men—and women—have been offered new government jobs at salaries larger than they have been receiving in private industry. Under the salary freezing order it is illegal for a business firm either to meet the government's offer or to replace the employee with another person at a higher salary. In practice, with new governmental competition lifting the average level of salaries, business can not maintain staffs without paying more money in many cases.

Business is doing its best to make the price, wage and salary ceilings effective. But it can not do the job alone; government, too, must abide by its programme.

Intolerable Interference

Answering a question in the House of Commons the other day, Postmaster General Mulock admitted that the censor had extracted criticism of the government from inter-Canadian mail. He intimated, moreover, that when "considered in the public interest" the extract, together with the name of the writer, were referred in confidence to the head of the particular government department concerned.

We have become accustomed to hearing about this sort of monstrous interference with personal freedom in Germany but it comes as a shock to learn that we are making an attempt to copy it in Canada.

There can be no valid objection to government censorship for purposes of concealing military information or ferreting out enemies of the state. If necessary all mail may have to be examined but the contents must be regarded as strictly confidential unless dangerous to the state. A man is not necessarily an enemy of the state because he writes a personal letter in which he is critical of some individual or department.

He may be simply a Conservative writing to a Conservative member and expressing honest and proper criticism. He may be a member of one of the other opposition parties, or an independent. He may indeed be a Liberal who does not see eye to eye with his national leader. It is ridiculous and intolerable that such criticism be extracted and turned over to any minister of the government. Furthermore in this criticism the letter writer is fulfilling a very real and necessary role of democracy.

Our greatest enemy in this war is not Germany or Japan, but complacency. We must be on continuous guard against the temptation of sitting back and thinking that we have done enough, have raised and trained sufficient soldiers, have turned out sufficient munitions, have shipped enough food to Great Britain. Complacency is our greatest single item and the only possible way we can fight it is by honest constructive criticism.

There are other ways in a democracy such as ours of feeling the pulse of public opinion than setting up a gestapo to pry into a citizen's private mail.

Mr. Hepburn's Mistake

Most serious-thinking Canadians, we believe, will agree that Premier Hepburn of Ontario made a serious mistake in campaigning against Hon. Humphrey Mitchell in the Welland by-election. There are other arenas in which to debate the wisdom of the conscription plebiscite. The issue of support for Mr. Mitchell should not be confused by a battle over a government policy not announced until weeks after Mr. Mitchell's appointment as Dominion Labor Minister.

Mr. Mitchell is primarily a representative of labor in the Dominion Cabinet. In appointing him to head the labor department Prime Minister King went beyond the ranks of his own partisan supporters. It was the first step towards the really national government which a great many Canadians believe we must have for an all-out war effort.

Mr. Mitchell should have received an acclamation. The federal Conservative party, rightly, refused to put a candidate against him and indeed has been giving him some support. By taking the opposite course, Premier Hepburn has merely jeopardized the national interest which would be well served by having an honest and fearless labor leader of Mr. Mitchell's calibre in the cabinet.

Entering Critical Phase

While confident that present control machinery can prove effective, sober warning that we are now entering a most critical economic phase of our war effort was uttered by J. A. McLeod in his presidential address at the annual meeting of the Bank of Nova Scotia this week. From now on, pointed out Mr. McLeod much of the further increase in our war effort must be at the expense of civilian production and services. The home front will have to get along with fewer comforts in order that the war front may be fully supplied.

The danger, as Mr. McLeod points out, lies in the fact that this growing shortage of consumer goods coincides with a huge increase in employment and at high wages. Last year there was an actual increase in civilian purchases despite the new restrictions.

A continuance of that sort of thing would soon lead to dangerous inflation. As Mr. McLeod points out, 'the government's rigorous fiscal policy alone cannot correct this dangerous spending because "much of the increase in the national income found its way into the hands of the lower income groups where the effectiveness of taxation is necessarily limited." Coupled with heavy taxation there must be heavy purchases of War Loans and War Savings Certificates. "By so doing," as Mr. McLeod points out, "we shall contribute to the success of the price ceiling and the battle against inflation."

New Spirit for Pulp and Paper

Canada's foremost industrial producer is the pulp and paper industry. Only within recent years, however, has the industry itself recognized the important place which it occupies in the Canadian economy. With that realization has come about a greater degree of confidence; a greater pride in accomplishments; and a greater desire for recognition.

For more than a decade pulp and paper was like a dog with a bad name because of its past corporate financial practices, lack of policy and inability to get along with its customers. Within the last five years the industry has embarked on a new course—a course which deserves the highest commendation and one that might well be followed by other branches of industrial effort in this country.

First step was to "clean house." Factional differences were largely eliminated. Activities were coordinated not from the point of view of this or that branch of the industry, but from the point of view of the industry as a whole. This was followed up by the collection and dissemination of facts about pulp and paper; of the place it occupied in the economic life of the country and the contribution which it was making to the welfare of the nation, both in times of peace and war.

Even the public is beginning to recognize the new spirit which has been developed. The industry itself has helped in bringing about this more appreciative and understanding attitude by telling its story in a straightforward, matter-of-fact way. Such a policy is a highly enlightened one. It recognizes that the functions of an industry is not merely making and selling a product. The greatest asset is public understanding and goodwill..

Publishing the Facts

When The Financial Post published its critical article about Axel Wenner-Gren, mysterious Swedish industrialist, a little over a year ago, University of Toronto authorities were indignant. They had just accepted a gift of $10,000 to carry on important and secret chemical research. They expected to get more gifts of similar size in each of the next three years. The Post was accused of being unfair but it maintained that it was doing the University and the public a genuine service by revealing the background of the man behind the contribution.

Had this information not been unearthed and made public the University of Toronto might have conferred an honorary degree on Wenner-Gren. Then today the staff of that institution would have been in the most embarrassing position of having honored a man now publicly branded by the United States government as "acting for the benefit of the enemy."

We make this point not in the spirit of "We told you so," but rather to offer an object lesson to those people who think a newspaper is unfriendly when it refuses to withhold certain vital information. Almost invariably the publication of that information is really in their own interest and always in the interest of the general public.

What Will Plebiscite Cost?

Parliament has not yet decided on procedure for the Prime Minister's pig-in-a-poke plebiscite. Until that decision has been made it is not certain exactly how much it will cost.

If the same procedure as was used in the last general election is adopted, the cost would be about the same or greater than at that time because of the problem of polling opinion among armed services overseas. The last general election cost $2,760,000. Simpler procedure might reduce the cost to what is being given unofficially as the estimated cost—about $1,500,000.

In either case there is a simple yardstick with which to measure this unwarranted expense. It is the number of $50 Victory bonds which must be bought by the people of Canada this month to pay the bills for the plebiscite.

It will take at least 30,000 to pay for the plebiscite and it may take as many as 60,000.

Editorials in Brief

We agree with the Truro Weekly News that filling out the 1941 income tax forms is no easy task for the average man without the aid of a lawyer and some sort of a calculating machine. But when our contemporary complains bitterly about the delay in issuing these forms we suggest that the criticism should be directed, not against the King's Printer or the Federal Income Tax Division, but at those provincial governments which delayed for months, in the recent tax deal with Ottawa.

• • •

Marketing of the Ontario grape crop provides a profitable lesson in business co-operation. Each year there is established a fixed minimum price per ton of grapes which must be paid by the Ontario wineries to the grape growers. This price is arrived at by mutual agreement between the growers, and the wineries. The latter take about 70% of the crop. This price is approved by the Liquor Control Board of Ontario. Last year the growers got $50 a ton for their grapes, $10 better than in 1940.

• • •

Time and money could be saved and a better job done of inventory if more Canadian companies got away from the old habit of ending their business year Dec. 31, declares the Chartered Accountant.

The official organ of the Dominion Association of Chartered Accountants argues convincingly for the "natural year end" which it defines as the lowest point of business activity in the annual cycle. At this period there is time to do a thorough job with less interruption to and more assistance from the regular staff than is possible at any other time.

Other People's Views . . . .

Must Support Loan

Ottawa Journal

There is reason to believe that great numbers of Canadians have decided they will not lend any more money to the government in the present circumstances. It is a deplorable and dangerous decision. The war effort is greater than the men who are running it, and the safety of this country infinitely more important than the fortunes of the politicians temporarily in power. We cannot go to this length to express our condemnation of the plebiscite without putting in peril our existence as a free state.

Many will understand, and sympathize with, the course of those who say they will not buy certificates or bonds, but if this policy were to sweep the country—as well it might, considering the state of public opinion—the war effort quickly would suffer. The Government counts upon a steady sale of certificates, and the year's campaign largely depends on the success of next month's huge loan. Failure of either would have a lamentable effect on the vigorous prosecution of the war—and would be interpreted abroad as a sure sign of our lagging interest.

The people, in this case, must be greater than their government. The people must support with their surplus funds, as they do with their taxes, an administration which is doing something of which they thoroughly disapprove. There is no alternative consistent with a loyal determination to put all the resources of this country behind the war effort.

As Others See Us

Everyone a Policeman

Gore Bay (Ont.) Recorder

A staff writer in The Financial Post, in the issue of Dec. 6, has this to say about the price ceiling:

"The housewife who buys from the corner grocery store, the husband who eats his lunch at his favorite restaurant —in short the public at large—are specifically being charged with responsibility for policing prices under Wartime Prices and Trade Board policy. No special body of men will be employed for this job."

This price ceiling business is something new, and it makes every man Jack of us a policeman, and every woman a policewoman. If this new and drastic Act is going to work, if it is going to prevent the terrible economic catastrophe which followed the last war, then everybody must take it seriously.

• • •

Swift Current's Generosity

Swift Current Sun

Recently The Financial Post of Toronto, usually hair trigger on detail, had a biographical sketch of Hon. J. G. Taggart, Dominion Food Controller. We point out to this publication that we take umbrage with the article where it dismisses the most important phase of his career as follows: "Later moving to Olds, still later to Swift Current and in 1934 was elected to the Saskatchewan Legislature."

This is "Our Taggart" they refer to. It was here in Swift Current he got the start that really put him in political life to the benefit of Canada as a whole. Canada should know that, we point out to The Post.

He came here in 1921 as first superintendent of the Dominion Experimental station which is now one of the most important, agriculturally, probably in the world. The people of Swift Current elected Mr. Taggart to the legislature for the first time in 1934, knowing full well that he would become Saskatchewan's minister of agriculture, and probably in the future will be the federal incumbent of the office or maybe Prime Minister. That was the only reason why they gave him up.

• • •

Newspaper Criticism

Hanna (Alberta) Herald

While by no means a docile supporter of the King Government, The Hanna Herald has on previous occasions pointed out that the spate of newspaper criticism directed against the administration would more than likely have a tendency to create sympathy for it. We believe that we are fair in saying that, on the whole, the government's war effort has been commendable and, if anything, somewhat more effective than those of other British Empire states, excepting, of course, the Motherland.

The Toronto publication, The Financial Post, in particular, has had plenty to say about the government's war effort, most of which was extremely critical. It is all right to sit down at an editorial desk and tell other people what to do, but it is a different thing to get out and do the business oneself. In so far as ability in administration of the war effort is concerned, we frankly prefer Mr. Ralston and Mr. Howe to the editor of The Financial Post.

• • •

Impracticable

Truro Weekly News

The Financial Post shows that dividend payments in January show a decline of approximately a million dollars in Canada over January a year ago. Interest payments have dropped more than five million dollars in the same period.

In general it would appear that the impractical proposal of holding retail prices down to one level and forcing the employers to pay higher wages cannot but contribute to this condition of affairs.

It is too early yet, but in the long run this situation will require to be checked or many "shoe string" companies doing often quite large businesses will collapse.

• • •

Stop Me If . . .

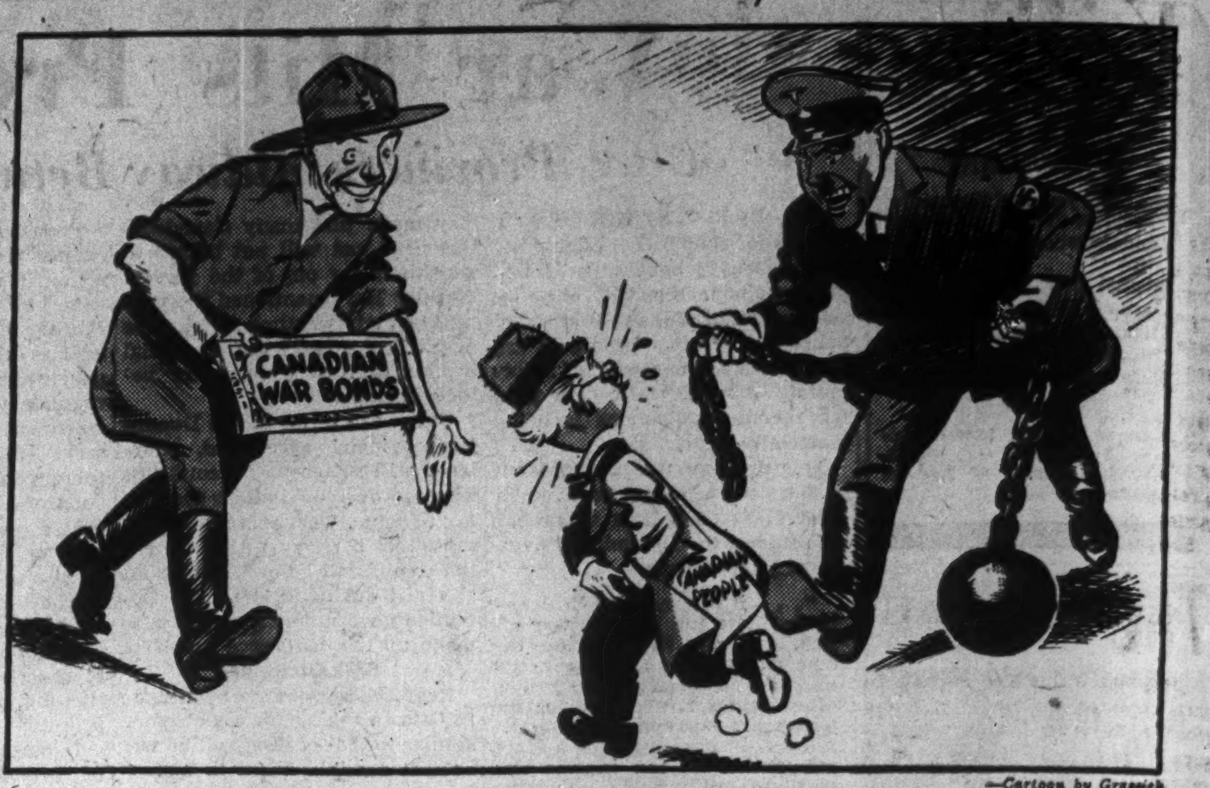
They tell now of two Nazi aviators, meeting after a considerable interval, in Paris.

Said the first: "And what are you doing here, Hans?"

"Oh," replied the other Luftwaffer, "I sit on the Eiffel Tower with a pair of powerful binoculars trained on London ready to report when they raise the white flag."

"Ah," said the other commiseratingly, "that's a terrible job for a flyer."

"Yes, I know," admitted his friend, "but it's permanent."



—Cartoon by Grassick.

NOT HARD TO CHOOSE

"Every Canadian will prefer the bonds of Canada to the bonds of Hitler and his totalitarian Allies."—Senator Ralph O. Brewster, United States Senator, before Toronto Victory Loan Rally last week.

Post-Scripts . . . . .

Experience at the Helm

Western-born Richard Lawrence Weldon, president of Bathurst Power and Paper Co., is the new head of the Canadian Pulp and Paper Association. Probably the majority of Canadians never heard of the association. To those who follow Canadian industry pulp and paper is not only the most important manufacturing activity in Canada, but, at this time, provides more foreign exchange to finance Canada's war effort than any other in industry. Heading this $600 million industry is a big-time job; one which requires a man of exceptional calibre.

R. L. WELDON

In Larry Weldon, the industry has picked a man who has all the qualifications needed. He has administrative ability; technical experience of a high order; an intimate knowledge of the association's affairs and a keen appreciation of the part which the industry can play in the national war effort.

Born in Winnipeg, Larry Weldon came east to finish his schooling. When he left McGill University, the governors gave him two degrees—B.Sc. and M.Sc. After leaving McGill he did not waste any time wondering what he was going to do: he had already made up his mind. His first job was with the old Laurentide Co. After several years he then joined St. Lawrence Paper Mills at the inception of that company.

His reputation as a pulp and paper man is built largely on the work he did in Newfoundland and, of course, later with Bathurst. After St. Lawrence completed its first unit, Larry Weldon resigned to become designing engineer with the Newfoundland Power and Paper Co. This took him to Corner Brook. When the plant came into operation he was made assistant mill manager. Eventually this unit was taken over by International Paper. Early in 1928 Larry Weldon was appointed manager of the Corner Brook mill and shortly after appointed a director of the company.

The next move in his pulp and paper career was to New York, where he went in January, 1930, as chief engineer of the company, but continuing in active management of the Newfoundland property. In this position he came in close contact with Bathurst, in which International and a group of Canadian newsprint companies held control. When this group sold their interest in 1936 to Nesbitt, Thomson & Co., Larry Weldon was invited to become its president.

Since that time he has been responsible for the development of Bathurst into one of the most important kraft-newsprint units in the Canadian field. Both operations and sales have been greatly expanded.

Upon his return to Canada, he resumed active interest in the affairs of the Canadian Pulp and Paper Association, particularly the technical section. Over the past year he has devoted a great deal of time to organizing and putting into operation the industry's Wartime Machine Shop Board, with outstanding results.

• • •

Sayings of the Week

"The day is past when employers may compete with the army for physically-fit men . . . Eventually, the only labor supply may be women."—*Lt.-Col. Joseph F. Battley, addressing Draft Occupational Advisors at Chicago.*

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"Inflation is a symptom of scarcity: it arises because people try to buy more goods and services than are currently available and it inevitably results in higher prices and increased costs of living."—*J. A. McLeod, president Bank of Nova Scotia.*

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"The more I see of man working by himself, the more I know why the world is in such a mess. Unless, after the war . . . Europe hands over some of its tasks to women, it will go from one mess to another mess."—*Lady Astor, addressing a party attended only by women.*

• • •

"The sweeping changes in international organization made for purposes of war encourage the hope that the great Allied Powers will not dare, when peace comes, to allow the world to slip back into extreme economic nationalism. If that hope is realized—meaning as it will a freer movement of raw materials—it will be a bright day for western Canada and for all concerned with it."—*J. M. Macdonnell, president National Trust Co.*

Fifty Years a Director

Almost exactly 50 years ago, when the first provisional board of directors of the Great West Life Assurance Co. met in Winnipeg, one of the prominent members was R. P. Riley. He also took first policy issued by the new company.

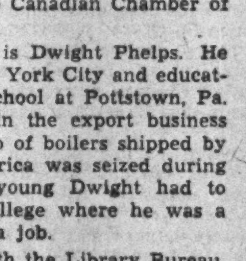
At the regular directors' meeting of the Great West last month, President M. F. Christie moved a resolution of appreciation of Mr. Riley, now in his 90th year and still a director of the company. The meeting last month was one of the very few that Mr. Riley has missed in his 50 years of continuous service on the board of the Great West.

Mr. Riley is also prominently and actively connected with the Northern Trust Company, Canadian Indemnity Co., Canadian Fire Insurance Co., and Northern Mortgage Co. Most of his business life has been spent in Winnipeg.

Carleton's Reeve

Carleton County has a new warden. His name is D. P. Cruikshank. He is also the reeve of Rockcliffe.

But that is just the beginning. Mr. Cruikshank has a thriving business of his own: he is president of the Steel Equipment Co. Ltd.



D. P. CRUIKSHANK

He has one of the key dollar-a-year jobs at Ottawa: Co-ordinator of Metals Administration for the Wartime Prices and Trade Board.

He is president of the Dominion Fire Prevention Association and an alternate member of the National Labor Supply Council.

At various times he has been president of the Ottawa Rotary Club, of the Ottawa Board of Trade, of the Rockcliffe Tennis Club, of the Minto Skating Club. He has been active in the councils of both the Canadian Manufacturers' Association and the Canadian Chamber of Commerce.

His full name is Dwight Phelps. He was born in New York City and educated at the Hill School at Pottstown, Pa. His father was in the export business but when a cargo of boilers shipped by him to South Africa was seized during the Boer War, young Dwight had to quit Amherst College where he was a junior and find a job.

He found it with the Library Bureau, in Boston, a firm which manufactured business equipment. They, in turn, sent him as factory manager to their Ottawa plant at the age of 24. Not long afterward (1913) he left that job to join the Hon. E. A. Dunlop in forming a new manufacturing concern, Steel Equipment Co. with its factory in Pembroke and head office in Ottawa.

In the last war his factory was turned over to the manufacture of cartridge clips. In this war he is turning out office equipment for our vast and increasing wartime bureaucracy, plus a wide range of allied lines, including mechanical devices for tabulating statistics. Since the senior Cruikshank took on his dollar-a-year job much of the business has been turned over to his son.

Mr. Cruikshank's responsibilities with the Prices Board include co-ordination of price control in such fields as, heating, plumbing, air-conditioning equipment and supplies; electric wires and cables, electric fittings, fixtures, equipment, etc.; electric apparatus, machinery and instruments; farm, road and municipal services machinery; plant machinery and equipment; fabricated steel and non-ferrous metals. This is an administrative and organizing job of the kind Mr. Cruikshank has been relishing ever since he was a boy. Though it will take more time, it will be hard pressed to find as warm a place in his affections as the new honor of county warden.

Said Mr. Cruikshank the day he was sworn in to this post:

"The county council is the most democratic of our bodies of government, and it is organizations of this kind that we must pledge to keep going to see that the spirit of democracy lives forever."

Rockcliffe Park, of which Mr. Cruikshank has been reeve since 1937, is reputed to have the lowest tax rate of any municipality in Canada. Though it has neither sewers nor sidewalks it boasts some of the most distinguished names in Canada on its municipal rolls.

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Consumer Champion

Last week the hardboiled Wartime Prices and Trade Board admitted publicly what the man on the street has long known, that women control the nation's purse strings, that they are the big buyers or consumers in this country. That recognition was implied when the Board appointed Byrne Hope Sanders director of its consumer representation branch.

MISS SANDERS

For the last 12 years Miss Sanders has been the able editor of Chatelaine magazine. But that is only one of her qualifications for this special war job. In private life she is Mrs. Frank M. Sperry and the mother of two lively young children. It is a typical consumer that is going to represent at Ottawa the great army of retail buyers.

Miss Sanders, on loan to the Board by The MacLean Publishing Co., will first create the new department, head it up, and staff and organize it on a national basis, working directly with Chairman Donald Gordon. Then she will conduct a series of mass meetings in all the larger cities across Canada.

Byrne Sanders was born in South Africa. Her father was an Englishman who got his early education at Trinity College, Dublin, then migrated to South Africa to teach school. His schoolteacher's pay enabled him to study law at Rhodes University. Later he practised law and married a girl whose grandparents had migrated to South Africa many years before. Byrne was the eldest of four children.

In 1910, a tsetse fly scourge brought depression and Mr. Sanders took his family to England. He left them there while he and his wife set out to establish a home in Canada at Woodstock, Ont.

After graduation from St. Mildred's College, Toronto, Byrne started giving music lessons at Woodstock, Ontario.

Anxious to get into newspaper work she plagued the life out of J. W. Taylor of the Woodstock Sentinel-Review for a job and finally landed one on the women's page. She also did women's articles for the old Toronto Sunday World. Later she came to the T. Eaton Co. with her sister Dora to edit a weekly magazine for the store's customers. Before taking on the Chatelaine assignment she took a turn at editing "The Business Woman."

Since war's outbreak, Byrne Sanders' chief enthusiasms have been the Voluntary Registration for Canadian Women; direction of war work among Canadians and an increased understanding of the part that Canadian handicrafts can play in future handicraft industry of the North American continent.

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Killing the Frills in Retail Selling

Here Are Some of the Things Storekeepers See Ahead for Shoppers

"Kill the frills" is the order of the day for Canadian merchandisers as wartime economy needs are forcing elimination of an increasing number of so-called up-to-date aspects of marketing. Under the sponsorship of the Wartime Prices and Trade Board, a programme of rationalizing and standardizing scores of lines of consumer goods is underway. Some results have already become evident to the consumer; more are on the way.

So far, war has not meant that manufacturers have had to lower the quality of goods. Chief aim now is elimination of costly marketing practices and services that have grown up mainly as result of competition.

Already Here

Bread and milk companies have taken steps to meet wartime conditions. In effect for some time, of course, has been change in the ordinary bread wrapper. It is reduced in thickness and colors.

Milk firms are cutting out quarter-pints of cream. Special deliveries which used to take a man across the city to deliver a loaf of bread or quart of milk to a forgetful housewife are also out.

Another change that will become increasingly evident is simplification in packaging and wrapping. In cosmetics, particularly, there are some very elaborate packages which will now be viewed with increased official disfavor.

Exchange Question

Exchanges and returns are an appreciable source of cost to many retailers that will now come under more intensive scrutiny. Sales staffs, no doubt, will hear from their higher-ups on the need for more efficient selling so as to reduce the possibility of the customer exchanging the article purchased. It seems probable that sales "on approval" will be limited in some way—the undecided woman shopper may find herself not allowed to take home half a dozen hats from which to make an eventual selection of one, and even if she should be allowed to do that she may have to bring back the remaining five herself.

Closer check-ups in the shipping department to avoid damage to goods in transit may also help to reduce the exchange item.

Even labels on garments are coming in for their share of attention. For instance, on some neckties there are two or three good-sized labels which do not add to the tie's utility. These are to be reduced both in size and number.

Buying practices are also likely to come in for some revision. Hand-to-mouth buying, previously tolerated by wholesalers as a service to keep the goodwill of their customers, will now be frowned upon.

Cut Deliveries

Deliveries are, of course, an important item both from the standpoint of duplication of services and wastage of gasoline, rubber and manpower. Already noted here has been the cutting down in special deliveries by bread and milk firms. Just a few days ago Eaton's and Simpson's department stores in Toronto announced deliveries would be reduced to one a day. Housewives will have to get accustomed to not having their orders sent home with the usual speed.

Manufacturers Co-operating

Much of the work of standardizing Canadian consumer goods is going on behind the scenes and results may not be evident to the ordinary buyer for possibly some time.

Manufacturers in their individual lines are getting together and deciding for themselves where they can best eliminate non-essentials. Their decisions are then passed on to the Wartime Prices and Trade Board for approval.

Streamlining operations have already been carried out to an appreciable extent by the textile trade. Color ranges have been reduced — one cotton mill actually stocked 2,400 different shades. In socks, manufacturers are now limited to seven basic colors. While this means a material reduction in the colors a spinner has to carry in stock, it still offers a wide field of variety.

In women's stockings the limit is four basic colors as compared with 10 to 16 formerly. However, this range of four colors may be changed each quarter as the seasons change; shades for winter wear, for instance, would not sell for the Easter trade. With the elimination of silk for stockings, the way was opened for a chaotic experimentation with many different lines of substitutes. Co-operation of manufacturers in standardizing the new lines is now protecting the trade and above all the consumer. As a result of this, Canadian mills now produce four or five rayon lines and two or three mercerized lines of stockings.

Incidentally, women who have found nylon stockings hard to get will probably find them even scarcer from now on. War demands for nylon indicate that not much will be available for stocking manufacture.

Rubber Footwear

In rubber footwear the standardizing process will bring the number of styles down to around 65 as compared with 354 formerly, and they will all be black. This cut-down in the number of styles or types will not hit at any particular price class. The present price range will be maintained but fewer styles will be available in each class.

In dresses the standardizing programme will mean elimination of many ultra-fancy patterns. A wide variety of colors will still be available but elaborate styles which consume a heavy quantity of much-needed dyes are out.

In the women's dress category also the shortage of elastic braid will mean new designs in undergarments. It is probable that manufacturers will have to go back to types of years ago before elastic came into such wide use.

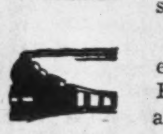
The Week in Business

Seasonal influences were probably responsible for the greater than expected decline in business activity in Canada in the closing month of 1941. Preliminary figures available for early weeks of 1942 suggest gains may be resumed. The Financial Post index for December was 160.9 against 164.8 for November and 152.9 a year ago.

National income for December, as estimated by the Dominion Bureau of Statistics, was up $14 millions, a rate of gain well above recent months.

Department store sales for December, Christmas shopping month, broke all records. At 145.8, the index was 13.6 points above the Christmas month of 1940 and over eight points above the immediately preceding month of Nov. 1941.

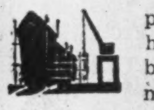
Dividend payments, as measured by the Nesbitt, Thomson index, have moved up for three consecutive months. January this year is almost two points above the first month of 1941 and higher than at any time since Nov. 1940.



Railway statistics, both carloadings and weekly earnings of the two Canadian roads, continue to gain. First three weeks of this year show carloadings 18.1% above year ago.

Contracts awarded January this year up $4 millions, or 44.9%, from the same month a year ago.

Iron and steel production for last year showed gains in each category. Pig iron output was 16.7% ahead of 1940 and steel ingots and castings gained 19.7%.



Imports and exports for calendar year show imports up 33% and exports up 37.4%. Aided by the higher percentage gain for exports, total favorable balance was $191.8 millions compared with $111.3 millions for 1940.

MONTHLY INDICES

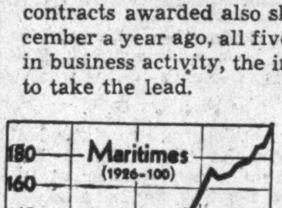
	Jan.	Dec.	Nov.	Oct.	Year Ago
The Financial Post business index	....	°160.9	164.8	168.0	152.9
▪National Income, D.B.S.•	....	456.4	442.3	440.9	427.7
▪Dom. war expend.•	....	124.4	120.0	111.2	84.5
▪Dom. total revenue•	....	111.5	108.4	104.7	65.7
▪Dom. total expend.•	....	168.0	170.3	165.8	110.2
Retail sales index no.	....	....	138.6	138.0	123.0
▪Dept. store sales index no.	....	145.8	137.6	136.5	132.2
Wholesale sales index no.	....	....	147.4	170.5	131.7
Country store (% change pr. yr.)	....	....	+5.0	+8.1	+15.4
▪Divd. payment index♦	121.3	120.3	119.3	118.5	119.5
COST OF LIVING—					
D.B.S. index	....	115.8	116.3	115.5	108.0
EMPLOYMENT INDEX Nos. D.B.S.—					
All industries	....	....	167.6	165.8	139.2
Manufacturing	....	......	187.6	185.0	144.6
Payroll index (a) (1937=100)	....	....	186	189	145

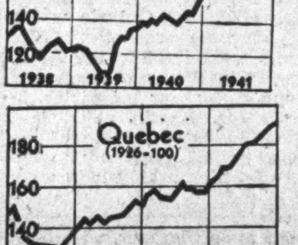
		1941-42	1940-41	Jan. 1 to date 1941-42	1940-41	% Change
RAILWAYS—						
▪Carloadings	(week Jan.24)	64,992	52,085	234,235	198,248	+18.1
▪C.N.R. gross	(week Jan. 21) $	5,787,000	4,681,000	16,280,000	13,899,000	+17.2
▪C.P.R. gross	(week Jan. 21) $	4,158,000	3,276,000	11,533,000	9,721,000	+18.6
C.N.R. net revenue	(Nov.) $	5,719,836	5,524,224	60,347,891	38,733,861	+55.8
▪C.P.R. net revenue	(Dec.) $	5,090,750	4,806,206	45,957,536	35,639,438	+28.9
IRON AND STEEL—(December)—						
▪Pig iron production	(tons)	148,377	110,477	1,364,334	1,168,894	+16.7
▪Steel ingots and castings prod.	(tons)	218,611	188,420	2,411,887	2,014,178	+19.7
AUTOMOBILES—(Number)—						
Passenger Cars:						
Domestic sales*	(Nov.)	3,385	7,616	79,775	93,014	—14.2
Factory output	(Dec.)	6,651	11,653	94,045	110,019	—14.5
Trucks and Buses:						
Domestic sales	(Nov.)	1,782	1,525	32,218	26,618	+21.0
Factory output	(Dec.)	13,662	11,711	176,386	112,999	+56.1
Financing:						
Used	(Dec.) $	1,709,776	2,650,533	48,882,297	41,762,396	+17.0
New	(Dec.) $	1,390,091	2,841,821	34,809,863	33,473,397	+4.0
CONSTRUCTION—						
▪Contracts awarded	(Jan.) $	12,880,900	26,579,800	......	......	—51.7
Cement prod., bbls.	(Nov.)	663,332	643,522	7,987,357	7,271,232	+9.8
AGRICULTURE—						
Flour prod., bbls.	(Nov.)	1,664,803	1,588,428	18,894,608	15,178,784	+24.5
Flour exp., bbls.	(Dec.)	930,236	345,611	11,439,191	6,970,902	+64.1
Wheat exp., bush.	(Dec.)	18,271,042	11,762,411	196,646,340	139,169,671	+41.3
Cattle sales▴	(Dec.)	116,022	86,728	1,239,526	1,149,255	+7.8
Hog sales▴	(Dec.)	799,647	778,911	6,426,990	5,583,942	+15.1
SEA FISHERIES—‡						
Catch cwts.•	(Nov.)	934,600	907,100	10,421,100	10,487,800	—0.6
Landed value	(Nov.) $	1,438,200	886,000	24,489,030	17,122,300	+43.0
NEWSPRINT—						
Production, tons	(Dec.)	300,823	252,897	3,425,865	3,418,803	+0.2
Exports	(Dec.) $	14,042,000	12,394,000	154,356,000	155,877,000	—0.9
MINING AND OILS—						
Coal prod., tons	(Nov.)	1,825,158	1,878,344	16,360,474	15,895,789	+2.9
Coal import, tons	(Nov.)	2,795,680	1,460,523	19,975,378	16,703,700	+19.4
Gold rec., fine oz.	(Dec.)	401,716	415,065	5,081,480	4,965,128	+2.3
Crude oil, imp. gals.†	(Nov.)	150,609	168,003	1,509,261	1,407,107	+7.3
ELECTRIC POWER OUTPUT—(December)—						
▪Total monthly, 1,000 kw.h.'s		3,220,800	2,584,341	33,445,360	30,080,248	+11.2
FOREIGN TRADE—♦						
▪Imports	(Dec.)	$125,779,166	102,302,476	1,448,685,117	1,081,950,719	+33.9
▪Exports	(Dec.)	$152,091,112	98,710,660	1,640,454,541	1,193,217,592	+37.4
OTHER INDUSTRIAL FACTORS—						
Dressed lumber exp.: 1,000 bd. ft.	(Dec.)	139,542	190,249	2,282,132	2,451,638	—6.9
Shoes, prod., pr.	(Nov.)	2,935,564	2,230,387	29,910,628	24,216,363	+23.5
Cotton consump., lb.	(Dec.)	16,150,612	16,182,308	198,389,402	191,300,836	+3.7
Raw rubber imp. lb.	(Nov.)	5,506,997	11,311,687	142,685,655	97,452,005	+46.4
Cigarette cons., No.†	(Dec.)	720,022	574,837	8,581,739	7,571,841	+13.3
▪Sugar manufactured	lb §	90,187,029	87,221,405	1,199,719,338	1,137,792,237	+5.4
FINANCE—						
Bank debits†	(Dec.) $	3,686,546	3,208,348	39,242,957	34,437,475	+13.9
Bond sales†	(Dec.) $	92,473	329,809	2,360,181	2,293,415	+2.9
Life insurance sales	(Dec.) $	47,172,000	33,727,000	428,915,000	365,217,000	+17.4

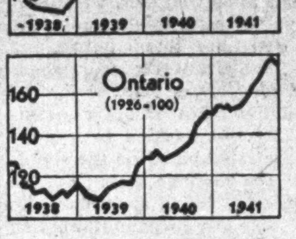
*D.B.S. All Canada figure covering 90% of the Canadian total.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.
▴Total at yards and plants. New items for week marked ▪
†000's omitted. §For four weeks to Dec. 31. ♦Gold excluded.
•Millions of dollars. °Final. ♦Supplied by Nesbitt, Thomson & Co.
(a) Compiled by Canadian Bank of Commerce.

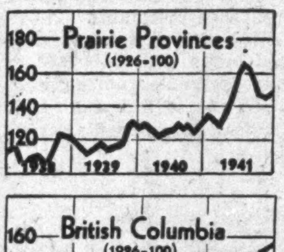
Business Gains in December With Exception of Ontario

Business activity pushed higher during December in four of the five economic areas of Canada, Ontario being the only division to show a decline from the previous month, The Financial Post Regional Indices reveal. Large factors in the Ontario decline were lower levels of production for steel and automobile production while contracts awarded also showed a decline. In comparison with December a year ago, all five economic areas show material expansion in business activity, the index for the Maritimes being up over 27% to take the lead.









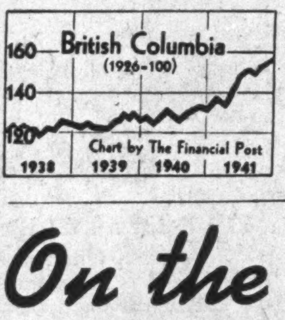


Chart by The Financial Post

Trend of Business in Economic Areas

	Dec., 1941	% Change Dec., 1940	Nov., 1941
Maritimes:			
Constr. contr. $	2,794,000	+48.1	1,734,000
Bldg. permits $	513,000	+55.9	1,627,000
Life ins. sales $000	3,507	+39.9	3,038
Bank debits 000,000	90.0	+27.7	85.2
Elec. pwr. kw.h.000	99,000	+12.5	94,000
Employment*	179.6	+34.2	175.4
Index	204.0	+27.3	188.6
Quebec:			
Constr. contr. $	6,408,000	+22.7	5,935,000
Bldg. permits $	1,366,000	—43.3	3,791,000
Life ins. sales $000	11,932	+19.6	12,204
Bank debits 000,000	1,087	+14.3	964
Elec. pwr. kw.h.000	1,736,000	+31.0	1,761,000
Employment*	177.1	+19.1	173.9
Cotton consump. lb.	16,150,612	—0.2	16,647,670
Newsprint prod., tons	300,823	+19.0	300,308
Index	191.9	+19.1	189.4
Ontario:			
Constr. contr. $	5,640,000	+0.9	10,335,000
Bldg. permits $	3,750,000	+5.2	4,048,000
Life ins. sales $000	21,167	+47.0	19,678
Bank debits $000,000	1,682	+15.0	1,604
Elec. pwr. kw.h.000	910,000	+16.7	869,000
Employment*	173.2	+21.5	172.4
Livestock slaughter*	308.9	+42.9	306.3
Steel production, tons	218,611	+17.9	221,367
Auto. production, no.	20,313	—3.1	21,545
Index	176.4	+17.3	179.1
Prairie Provinces:			
Constr. contr. $	2,042,000	+49.4	3,954,000
Bldg. permits $	733,000	+77.1	1,468,000
Life ins. sales $000	6,286	+55.9	6,570
Bank debits $000,000	620	+16.1	567
Elec. pwr. kw.h.000	251,000	+25.5	239,000
Employment*	136.1	+13.7	134.3
Wheat receipts bu.	25,914,000	—33.9	29,810,000
Wheat prices**	74/3	+1.4	73/2
Index	149.4	+11.3	147.8
British Columbia:			
Constr. contr. $	2,225,000	—22.0	931,000
Bldg. permits $	737,000	—3.8	765,000
Life ins. sales $000	3,644	+48.6	2,980
Bank debits $000,000	208.2	+9.4	207.4
Elec. pwr. kw.h.000	225,000	+17.8	221,000
Employment*	149.4	+18.3	149.4
Index	157.0	+17.0	155.7

*1926=100. Employment statistics apply to preceding month. **Cents and eighths of a cent per bushel.

On the Record

Motor Vehicle Manufacturers' Advisory Committee appointed to co-operate with Motor Vehicle Controller. Members are: **R. M. Sale,** sales manager of Ford Motor Co. of Canada, Windsor; **C. W. Churchill,** president, Chrysler Corp. of Canada, Windsor; **W. R. Carnwith,** General Motors of Canada, Oshawa; **F. M. Morton,** vice-president, International Harvester Co. of Canada, Hamilton.

H. S. Beane, president, Dominion Glove Co., Beebe, P.Q., named director of cotton work gloves in the Textile Administration.

L. C. McOuat, general agricultural agent of the C. P. R., Montreal, appointed executive assistant to the Foods Administrator.

John Atkins, Bracebridge, named Administrator of Publishing, Printing and Allied Industries in the price ceiling administration.

For special gasoline rations if in a preferred category apply to one of the 12 regional managers' offices of the Oil Controller. Appointees and headquarters are: **Ewen Nicholson,** Charlottetown; **F. W. Annand,** Halifax; **W. A. Moore,** Saint John; **Henri Duclos,** Quebec; **Gustave Caron,** Montreal; **F. G. Spry,** Ottawa; **David Currie,** Toronto; **A. M. Miller,** Windsor; **K. G. Slocomb,** Winnipeg; **M. L. Fitzgerald,** Regina; **W. J. Dick,** Edmonton; and **Major P. A. Curry,** Vancouver.

Motor vehicle dealers' advisory subcommittee formed to co-operate with the Motor Vehicle Controller. **R. B. Perrault,** president of Cumming-Perrault, Ltd., Montreal, named chairman. Other members are: **E. L. DuBois,** president, Hamilton Motor Products, Ltd., Hamilton; **Charles D. Roblin,** treasurer and manager of Consolidated Motors, Ltd., Winnipeg; **C. D. Taylor,** president, Chevrolet Motor Sales Co. of Canada, Montreal; **F. C. Patterson,** president, Patterson Motors, Ltd., Ottawa.

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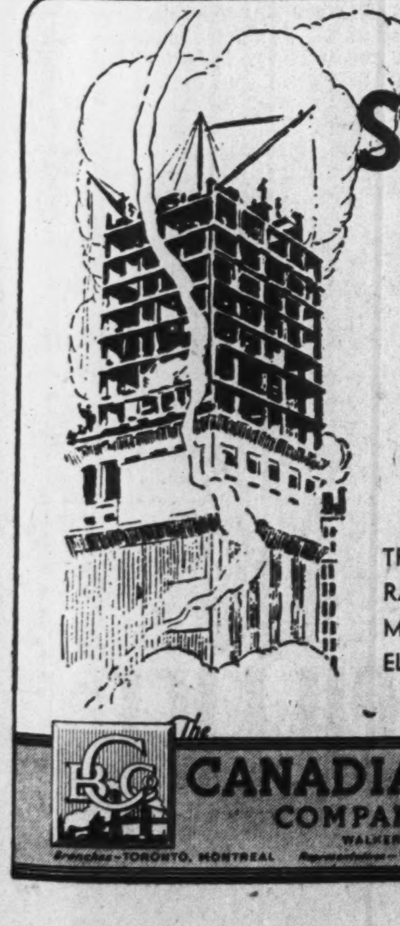
Family Herald and Weekly Star
CANADA'S NATIONAL FARM MAGAZINE
MONTREAL CANADA



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Standing as a mighty bulwark of home defence, life insurance is bringing security—freedom—peace-of-mind—to more and more Canadians . . . . . They know that, in the past 100 years, life insurance has weathered every storm of war, panic and epidemic—and has honored every obligation . . . . . They know, too, that life insurance helps to keep homes intact—to care for families bereft of their breadwinners—to educate children so they have a fair chance in life—and to bring financial security to those whose earning days are over . . . . . And they know that their savings in life insurance are doing double duty in helping to finance Canada's all-out war effort.

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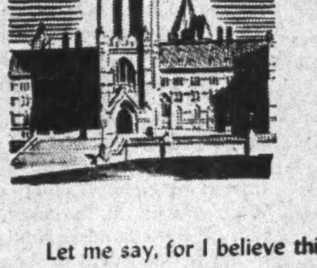

AS I SEE IT...

BY The Honourable Charles G. Power

MINISTER OF NATIONAL DEFENCE FOR AIR

Let me say, for I believe this needs to be said over and over again until its meaning has burned into our very souls, we are in this war as Canadians, to preserve Canada. We did not declare war for Britain; we are not waging war for Britain, but with Britain; and the outcome matters just as much to Canada as it does to Britain. It is true that the enemy has struck Britain before striking us—but that is the accident of geography. Nor should we think that the enemy has not already struck Canada too. For this enemy fights with every kind of weapon; political, psychological, economic, racial, yes, even religious, as well as military weapons, both old and new. And most of his weapons are secret weapons hidden from those against whom they are directed, and often unknown to those who employ them. His agents and sympathizers seek to discredit Parliamentary institutions and democratic self-government; they seek to foster religious controversy, to promote racial dissension and to set class against class. In other words, the agents of Hitler are attempting to undermine every principle for which we stand and the whole foundation on which Canada rests as a free nation. Canada is in this war because freedom, tolerance, our institutions, our Christian way of life and, finally, our territory itself is threatened by the hideous menace of Nazi Germany. The Germany of Hitler seeks the total destruction of the body and soul of Canada.

The young men in the Air Force, of whom I have a special right to speak—though it is equally true of our soldiers and sailors—are offering their lives to save Canadian ideals, Canadian institutions, Canadian territory; in fact, to save all that we mean by the name of Canada.

We speak of the sacrifices that will be necessary before the World and our own Country can once again breathe the breath of Freedom, and we once again walk freely in the sunshine, unshadowed by overwhelming fear.

I wonder how many in Canada realize, as you do who have lived with those young men, and as I must who see them weekly, almost daily, leave our shores, what this Air War is costing Canada in human wealth. Today only the intimate friends, the afflicted parents, are bearing the burden of the sorrow and loss, and bearing it with patience, courage and nobility. It will be only in the aftermath, when the world will once more emerge from the darkness of barbarism into the light of civilization; when we will have taken stock of our assets, when we will look about us for human instruments to undertake the heavy task of national and international reconstruction of a sorely wounded Country and a bewildered world; then will be brought home to us the weight of our sacrifice; the grievous loss we have sustained in the Country's deprivation of the brain and the brawn and the virility of the best, the most noble and the most courageous of this generation.

It is amongst those who will return that we must seek for the makers of the Country's tomorrow. They will return prouder than ever of the Canadian insignia they now bear so gloriously; with a stronger, deeper, more intense patriotism; and above all, I am convinced, with a fierce determination to let nothing—no, nothing—not even the consequences of wartime political or racial dissension (if unhappily that should come to pass) stand in the way of their resolve to make Canada a great, a united Nation.

Charles G. Power

MINISTER OF NATIONAL DEFENCE FOR AIR

★ This article is the third of a series, by Canadian legislators, on matters of vital World and National interest. This series will be published in newspapers across Canada; the next to appear on February 20th, followed by others on alternate weeks thereafter.

This space is donated to Canada's United War Effort by the Hull Steel Foundries Limited

Life Insurance Contest — Honorable Mention — Problem 3

Programme For Senior Executive

Protecting Investment in the Business

This is one of the articles that won honorable mention in Problem Three of The Financial Post's insurance contest. The individual proposed was: "a man who owns his own business, or is senior executive in a business in which he has a substantial stock interest. Total income between $10,000 and $25,000. Age 40 to 50. Investment in his own business $50,000 to $100,000. Has other investments of $10,000 to $25,000. Married, has two children, both in their teens."

The writer, Montague Raisman, was born at Leeds, Eng., and attended Leeds High School, where he captained the cricket team. He served with the 285th Siege Battery in France and Belgium in the last war and was awarded the Military Medal. Coming to Canada in 1926 he entered the insurance business, joining the Metropolitan Life in Alberta. He was Toronto manager of the old Capital Life (since taken over by Confederation Life) 1930 to 1933, when he re-joined the Metropolitan Life as an unattached agent. He is active in the Canadian Legion and in boys' work, a member of Toronto Board of Trade and has been president of the B'nai B'rith Service Club in Toronto. His hobbies are golf, writing and communal work.

MONTAGUE RAISMAN

By MONTAGUE RAISMAN, C.L.U.
Metropolitan Life Insurance Co., Toronto

Estates analysts in earlier years, were wont to draft elaborate charts, and evolve many forms of complicated settlements. Latterly, the approach has been more direct, more practical, and if you like, more human. The greater simplicity has in no way lowered the desirable barriers against wastefulness (wanton or unavoidable) and shrinkage. On the other hand, benefactors have been allowed considerably more elasticity in handling their bequests, enabling them to adjust themselves to changing situations.

In the case under consideration, the conscientious underwriter would require more precise information than is available. He would most certainly want to know the size and location of the estate, because such factors play a determining factor in calculating the all-important succession duties and the method of writing specific policies. Some or all of the estate might come under provincial laws exempting certain annuity settlements, or policies payable to the province, or for certain bequests to minors, etc. The value of the present estate would appear to be anything between $300,000 and $500,000.

Any great discrepancy in the ages of the man and his wife would affect recommendations regarding income and lump sum settlements, as would also any disabilities of any of the members of the family. Taking advantage, let us assume this man and his wife are of nearly equal ages.

Sex of the children has a bearing on disbursements, as provision might have to be made for a son's entering the business, or a marriage settlement for the daughter. Nevertheless, certain basic principles can be laid down. Analysis reveals the following major underwriting problems:

(a) Ready cash at death.

(b) Maintenance of home conditions.

(c) Satisfactory transfer of business interests.

For lack of information, no account can be taken of contractual liabilities, such as mortgages, notes, etc.

Prevent Shrinkage

The first and most drastic call this estate would have to face is a substantial payment for succession duties. Failure to pay such taxes not only ties up bequests, with the consequent embarrassment to all concerned, but subjects the tax itself to significant cumulative penalties. True, cash might be raised by selling portions of the estate. Obviously, this is a dangerous procedure, involving an unwarranted shrinkage by liquidating the most saleable (and by that token, the most valuable) assets; and, as so often happens, finding an unfavorable market.

There surely could be no doubt therefore, that if the death causing this new and absolutely unavoidable liability could also release a flood of money to satisfy the hungry provincial and Dominion treasuries, the problem finds its own solution. Life insurance is the ideal—in fact the only—instrument in our modern economy to achieve this ideal. It is the perfect answer.

More Bills

Of less demanding a nature, but nevertheless of consequence, are those other items, most of which only exist after death, and most certainly are now callable. There are personal debts, funeral expenses, cost of last sickness, administration fees, unpaid income tax, business disruption, etc. Eliminating the business factor for later consideration, the minimum cash liability invoked the moment death takes place, and which did not previously exist, is $50,000. If unexpectedly there prove to be a surplus, it can always be paid to the widow.

Having removed this formidable obstacle of ready cash, with the well-merited satisfaction of not having impaired any assets, constructive and loving plans can be formulated for the family's welfare. The death of the family's biggest "asset" also removes a big domestic liability, because Dad's living expenses are considerable—food, clothing, car, vacations, hobbies, entertainment, etc. So that the family budget can bear decided reduction, without necessarily lowering standards of living. Steady, reliable income is the primary consideration. If, without impairing the fabric of the plan, additional potential income might be made available, it will lend just that much more zest to the lives of those left. Capital sums for emergencies can readily be provided.

Education and dependency of the children throw the greatest strain in the early years, and it is likely to be at least ten years before either child is ready to be self-sufficient. It is moreover, the period of adjustment, and consequently of inexperience and faulty judgments. Living expenses and educational facilities (college, fraternities, sports etc.) can be fairly accurately measured. Experience suggests that $700 guaranteed every month would comfortably look after reasonable eventualities for the ten years succeeding death. Access can be had to a maximum extra $1,000 in any year, but only for dire emergency.

Spending $5,000

After these ten years, the family is no longer mother and two dependent children. It consists now of three adults, bound by mutual bonds of affection, but with divers tastes and outlooks, and free to move as each wishes. Marriage pokes its romantic nose into the picture, and mother may be left alone. Home is beginning to show signs of wear and tear, and the district has lost much of its attraction. Mother feels she would like one of those cosy, modern appartments, maybe a trip to some glamorous distant country, or —who knows—to venture into business herself. Here is the opportune moment to distribute $5,000 to each of the three members of the family.

No income is now payable on behalf of the children, excepting as mother decrees. She will receive for the next five years surely and certainly $450 every month. Actually, the family is receiving the same amount of cash relatively in these five years, as in the previous ten, because the capital disbursement of $15,000 is equivalent to sixty monthly installments of $250. Add this to the $450 to restore the original $700. Of course, the children are now no longer a financial responsibility of their mother, and can use their $5,000 in any manner they like. If their training and guidance have been wise, it will prove an exceptional test of character. Not only for the sake of the young folks, but also for mother, the greater freedom injected at this stage is greatly to be urged.

Peradventure, folly may play its part in disposing of the $5,000. That can be chalked up to experience, which is invariably bought, and provides a lesson which the sensible person takes to heart. So for the same practical reasons as before, a further $5,000 each should be available the 15th year after death. Mother's income will drop to $410 monthly for the next five years. Again considering the $15,000 represents 60 monthly installments of $250, it is readily seen that the average monthly income is only down $40 from the original $700. Bear in mind also that in the last ten years, the widow only has herself to support.

What now? The widow presumably is in the neighborhood of 65. She can have the privilege of providing herself with a life income of $250 monthly, or of using $45,000 cash in any way she chooses. Having had 20 years of handling her own affairs, and being much wiser, she can be well trusted to do the right thing. A consolidation of the foregoing bequests is as follows:

Clean-up Fund	
Debts, Succession Duties, unpaid Income Tax, Administration Costs	50,000
For Widow and Children:	
Years	
1-10th, $700 monthly	84,000
11th year, $5,000 to each member	15,000
11-15th, $450 monthly	27,000
16th year, $5,000 to each member	15,000
16-20th, $410 monthly	24,600
21st, cash to widow	45,000
Total	$260,600

Add $75,000 business interest, which is about to be considered, and there is a total cash disbursement over 20 years, of $335,600. This approximates what the deceased is worth, exclusive of life insurance, prior to his death.

Where, Does It Come From?

But where is this cash to be found? Truly, the business is a great revenue producer, but will it continue so without the dynamic influence of its owner and primary benefactor? Will credit be as easy? How will customers react? Who will deal with the thousand and one perplexities which demand forceful executive decision? Would it not be advisable to capitalize at least the actual cash investment in the enterprise, and release it in such a manner to the family that there will be no impairment of business operations?

From the widow's point of view, how could she depend on strangers to provide her with a livelihood? Oh yes. There is good will. Capitalize that too, if you will.

Golden Opportunity

Here is a splendid chance to solidify the loyalty and unbroken service of two or three of the most dependable executives or departmental managers, with all the implications of smoother functioning and better production. Tell them they will succeed to the business on the demise of its owner, provided that 10% of its earnings be paid to the owner's family, and notes given for the value of the business in excess of $75,000.

The estate, under trust agreement, apart from 10% of the earnings, undertakes to relinquish any claim to the proprietor's business in consideration of $75,000 cash.

The executives will purchase a policy for this amount payable at the death of the proprietor. They will receive the money with which to pay the annual premium on this policy from the business, by way of additional salary or bonus. This insurance will cost them only the yearly income tax on the premium. This would have to be done in accordance with the wage ceiling regulations. On the death of the owner of the business, the proceeds of this policy payable to the executives will be used to buy out the owner's interest.

So the financial shock of death can be absorbed, and to prevent decline in business momentum, the proposed successors should join in purchasing additional $25,000 insurance on their boss's life, with adequate trust provisions as to its disposal. Term insurance is recommended for the $25,000, as it is conditional on personnel being available, and subject to fluctuating trends.

Conserving Values

The $75,000 from the business should be directed to be held at the usual 3% interest. It forms part of the calculation relating to the family's income. From this amount are taken the $30,000 of lump sum disbursements in the 11th and 16th years, leaving $45,000 at the end of 20 years. Provision can be made for invasion of this principal, not to exceed $1,000 yearly, it being clearly pointed out that this would decrease income. Strong point should be made of the fact that, if necessary, it is much more advisable to liquidate some of the $20,000 or so of miscellaneous investments, in case of emergency.

From a review of the suggestions, it can be seen that in addition to the gilt-edged security of the life insurance income, there is considerable flexibility. Avenues of gain are available through miscellaneous investments (whose parity at death is guarded by the "Clean-up Fund"), 10% of future business earnings, valuation of the business in excess of $75,000 and the six disbursements of $5,000 each.

Type of Coverage

Outside of the $25,000 term insurance for the "shock absorber" whole life insurance is unreservedly recommended. It not only ensures the maximum of protection, but creates readily accessible reservoirs of substantial cash. These reservoirs bolster credit, and are comfortingly available for domestic and other emergencies. Ultimately the insured is in the enviable and happy position of being able to pension himself at age 65, if he so desires, and be able to enjoy $600 per month as long as he lives, free from all investment and commercial worries.

To supplement the foregoing programme would involve:

Personal Insurance	$125,000	W.L.
Business Insurance	75,000	W.L.
" "	25,000	Term

The addition of a disability provision will cancel further premium payments in the event of "economic death" caused by total and permanent disability.

The Cost

It is not unreasonable to assume that the man herein visualized will have substantial blocks of insurance, purchased at earlier ages, with their more valuable premiums. In the remote event that this is not so, and application for all the insurance is being made now, premiums for the personal insurance would approximate $3,500. In relation to income, this is equitable based on the standard of the Income Tax Act of Great Britain, which exempts up to 16% of a man's income if applied to life insurance premiums.

The $75,000 of business insurance would add but a little over $40 to the weekly pay-roll—a modest item in the light of the firm indicated, and the outstanding benefits accruing.

Life Underwriters Elect Officers

At the annual meeting of the Life Underwriters' Association of Canada in Toronto, Frank Robinson of the Mutual Life Assurance Co. of Canada at Montreal, was elected president.

Other officers elected were:

Provincial Vice-Presidents

F. W. HYNDMAN, Great West Life, Charlottetown, Prince Edward Island.

J. D. VAIR, Sun Life, Halifax, Nova Scotia.

F. W. GIRVAN, Dominion Life, Moncton, New Brunswick.

M. L. NADEAU, Travelers of Hartford, Quebec City, Eastern Quebec.

J. A. ROULEAU, Continental Life, Sherbrooke, Western Quebec.

S. B. SIMMONDS, Continental Life, Sudbury, Ont., Northern Ontario.

W. E. HAMILTON, Sun Life, Guelph, Ont., southwestern Ontario.

FRANK K. WILLIAMS, Prudential of America, Ottawa, eastern Ontario.

J. H. MOORADIAN, Metropolitan Life, Winnipeg, Manitoba.

W. E. GRAY, Saskatchewan Life, Saskatoon, Saskatchtwan.

L. A. NICKOLS, London Life, Edmonton, Alberta.

F. LAURENCE MITCHELL, Dominion Life, Vancouver, British Columbia.

Other Officers

H. O. WRIGHT, Monarch Life, Saskatoon, honorary president.

J. A. WITHERSPOON, Nashville, Tenn., honorary vice-president.

C. V. EARL, Sun Life, Toronto, chairman of the board.

J. C. ROSS, Travelers Insurance, Toronto, honorary treasurer.

J. M. TORY, Sun Life, Toronto, honorary secretary.

F. C. HOY, Canada Life, Toronto, registrar, Institute of Chartered Life Undtrwriters.

F. GRAHAM TAYLOR, Mutual Life of Canada, Toronto, chairman executive council, Institute of Chartered Life Underwriters.

G. H. DONALDSON, London Life, Toronto, chairman membership committee.

Directors

P. V. BOND, Great-West Life, Toronto.

P. A. BOWEN, Metropolitan Life, Toronto.

D. F. CONNELL, Dominion Life, Toronto.

H. C. GRAHAM, Manufacturers' Life, London.

P. M. MONAHAN, Canada Life, Barrie.

A. E. RUNDLE, North American Life, Toronto.

RYRIE SMITH, Mutual Life of Canada, Toronto.

J. HILES TEMPLIN, Great-West Life, Hamilton.

The Life Underwriters Association of Canada is a Dominion-wide organization with 55 local organizations across the country. Most of these local bodies were represented at the meeting.

Insurance Notes

Promotion of G. A. Skelding F.A.S., F.A.I.A. formerly assistant actuary to be associate actuary has been announced by the Confederation Life Association. Mr. Skelding has been 20 years with the company. Five others were named assistant actuaries: CAPTAIN M. F. AUDEN, MISS M. M. MUDIE, G. G. MYER, E. RUSE and L. G. SMITH.

Captain Auden is on active service with his tank regiment and Miss Mudie is Canada's only woman actuary.

• • •

Charles C. Martin, superintendent of agencies, of the Northern Life Assurance Co. was speaker at the luncheon meeting for a goodwill party from Western Ontario which visited Montreal recently. The luncheon was tendered by the C.P.R. following an inspection of the Angus Shops and other war industries, in Montreal. Mr. Martin noted that more than 10,000 employees of the C.P.R. had joined the army in the last war of which nearly 1,000 were killed.

The
WAWANESA
Mutual Insurance Company
—Organized in 1896—
Assets Exceed $3,000,000.00
Over 150,000 Members
Write for Financial Statement
Ask for our Booklet
"Farming Holds the Key"
Head Office: Wawanesa, Man.
Eastern Office: Toronto, Ont.
Branches at Vancouver, Edmonton, Saskatoon, Winnipeg, Montreal and Moncton.
2,000 Agents Across Canada

MANOIR
PINOTEAU
AT MONT TREMBLANT
In the Laurentians, at the base of famous Mont Tremblant . . . near chair ski - lift. Every comfort at moderate rates. Write for booklet, rates: Manoir Pinoteau, Mont Tremblant, P.Q.

THE
LONDON &
LANCASHIRE
INSURANCE CO.
LTD
ABSOLUTE SECURITY
W. R. HOUGHTON
Manager

FIDELITY
Insurance Company
of Canada
TORONTO

Dominion Appraisal
Company Limited
Consult us with YOUR Appraisal problem.
We Invite Inquiries from
Industries, Municipalities, Real Estate, Public Utilities and Institutions.
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REDOUBLE YOUR PRECAUTIONS
AGAINST FIRE
BUILDING MATERIALS OF ALL KINDS ARE PRACTICALLY UNOBTAINABLE
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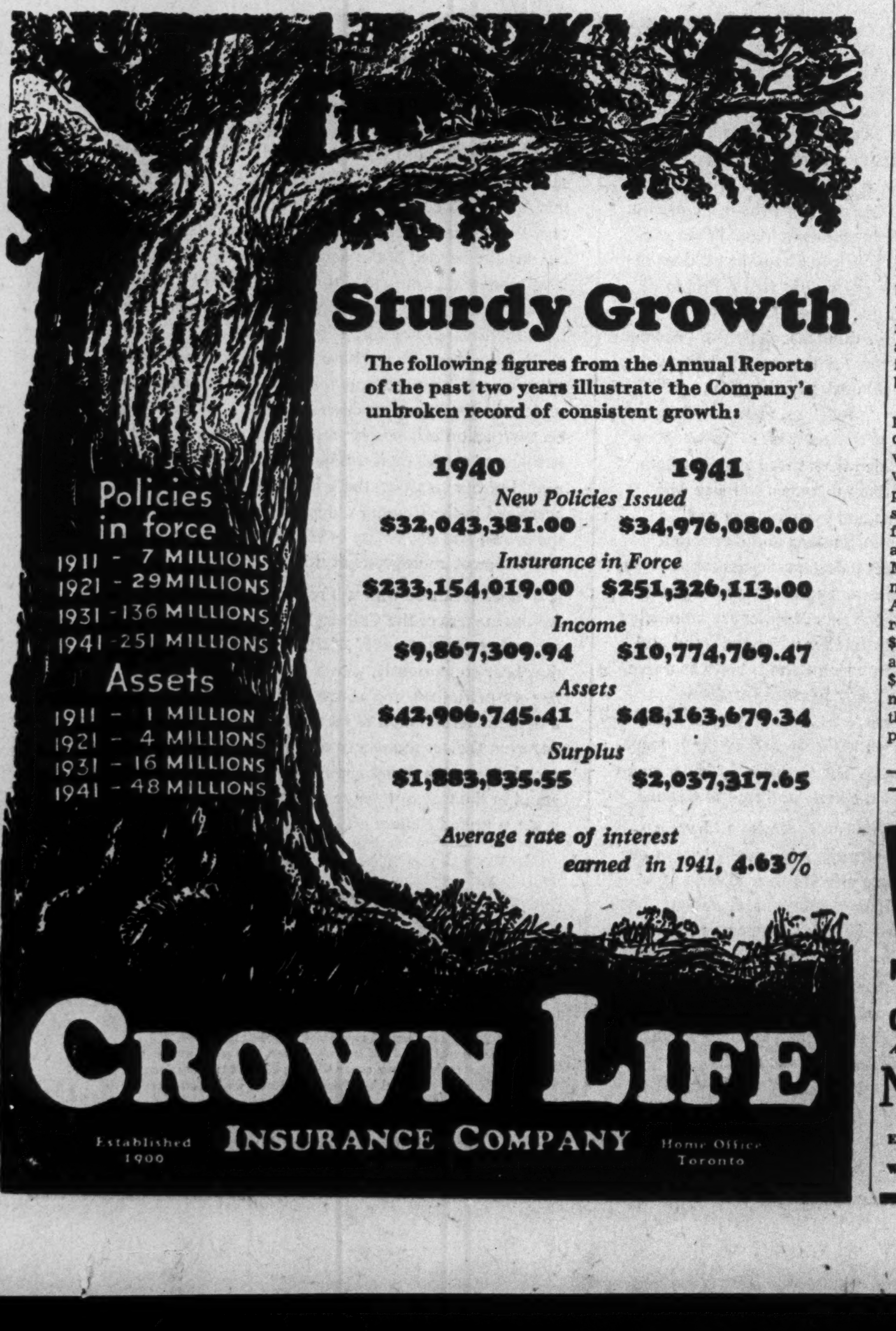

Policies in force
1911 - 7 MILLIONS
1921 - 29 MILLIONS
1931 - 136 MILLIONS
1941 - 251 MILLIONS
Assets
1911 - 1 MILLION
1921 - 4 MILLIONS
1931 - 16 MILLIONS
1941 - 48 MILLIONS

Sturdy Growth
The following figures from the Annual Reports of the past two years illustrate the Company's unbroken record of consistent growth:

	1940	1941
New Policies Issued	$32,043,381.00	$34,976,080.00
Insurance in Force	$233,154,019.00	$251,326,113.00
Income	$9,867,309.94	$10,774,769.47
Assets	$42,906,745.41	$48,163,679.34
Surplus	$1,883,835.55	$2,037,317.65

Average rate of interest earned in 1941, 4.63%

CROWN LIFE
INSURANCE COMPANY
Established 1900
Home Office Toronto

THIS IS YOUR COMPANY
MAXIMUM PROTECTION and CONSISTENT SAVINGS
Applications for Agencies Invited
NORTHWESTERN
MUTUAL FIRE ASSOCIATION
EASTERN CANADIAN DEPARTMENT
Imperial Bldg., Hamilton, Ontario
WESTERN CANADIAN DEPARTMENT
Randall Bldg., Vancouver, B.C.

The Equitable Life
Reports Steady Gains
Balance Sheet, December 31st, 1941

ASSETS

Real Estate:		
Office Premises	$ 92,500.00	
Other (Held for Sale)	427,863.01	
		$ 520,363.01
Mortgages on Real Estate		7,258,603.30
Agreements for Sale		378,481.63
Loans on Collateral		8,300.37
Loans on Policies		1,413,871.29
Bonds and Debentures		3,227,186.32
Stocks		112,934.36
Cash on Hand and in Banks		14,200.63
Interest Due		10,816.28
Interest Accrued		65,123.37
Premiums Due and Deferred (Net)		171,378.48
TOTAL ASSETS		$13,181,259.04

LIABILITIES

Policy and Annuity Reserves	$11,434,899.00
Provision for Unpaid and Unreported Claims	82,710.00
Amounts Left with Company at Interest	235,232.00
Premiums Paid in Advance	19,895.24
Interest Paid in Advance	130.41
Taxes, Expenses and Accounts Due and Accrued	44,612.02
Other Liabilities	24,282.44
Dividends Allotted to Policyholders	9,329.00
Investment and Contingency Reserves	400,000.00
CAPITAL PAID IN	327,155.00
SURPLUS	603,013.93
TOTAL LIABILITIES	$13,181,259.04

Insurance in Force increased to $42,220,025 . . . New Business for year up 13% . . . Assets gained $485,638 and Policy Reserves $381,411 . . . Contingency Reserves and Surplus increased to $1,003,014 . . . Assets valued conservatively, Bonds and Debentures alone being taken $143,166 below market prices and Liabilities valued in excess of Government requirements, providing highest margin of protection for policyholders in the Company's history . . . Interest earned on ledger assets 5.0%.

PROTECTION
THE EQUITABLE LIFE
INSURANCE COMPANY OF CANADA
HEAD OFFICE—WATERLOO, ONTARIO

In one hundred and forty-five years we have never failed to do our duty to our Agents or to our Clients.
NORWICH UNION
FIRE INSURANCE SOCIETY, LTD.
ESTABLISHED 1797
Head Office for Canada, Toronto
E. M. WHITLEY, *General Manager for Canada.*

Automobile and General Casualty Insurance
AGENCY INQUIRIES INVITED
LUMBERMENS MUTUAL Casualty Company
VANCE C. SMITH, Chief Agent
CONCOURSE BUILDING
TORONTO
SERVICE SAVING SECURITY
Fire and Allied Lines Written in Associated Companies

Our Second War Year
YOUR LIFE INSURANCE PREMIUMS SUPPORTED THE WAR EFFORT
Our holdings of Dominion Government Securities increased a million dollars — more than total increase in Assets.

OUTSTANDING FEATURES . . .
Business in Force Increased to $68,861,730
New Business Increased to . . . . $ 8,843,542
Average Interest Rate Earned 5.17%

● BALANCE SHEET ●
ASSETS

	1940	1941
Bonds and Debentures	$ 6,577,858.86	$ 8,072,654.08
Stocks (authorized market values in the aggregate exceed book values of Bonds and Stocks)	2,017,270.63	2,114,206.62
Mortgages and Agreements	3,737,145.09	3,487,176.02
Real Estate	734,798.34	618,243.03
Loans on Policies	1,948,700.69	1,879,689.55
Net Outstanding and Deferred Premiums	272,186.54	261,882.36
Interest Due and Accrued	136,669.43	90,854.10
Cash in Banks and on Hand	281,181.73	134,294.72
	$15,705,811.31	$16,659,000.48

LIABILITIES

	1940	1941
Policy Reserves	$12,693,677.00	$13,438,823.00
Policy Claims Awaiting Proof	79,996.16	109,570.34
Policyholders' Funds on Deposit	1,132,387.17	1,171,849.13
Provision for Taxes	44,046.35	48,675.38
Miscellaneous	24,247.89	32,128.92
Profits to Policyholders (Accrued but not due)	359,827.00	370,345.00
Capital and Shareholders' Account	316,051.95	324,108.34
Reserve for Unreported Policy Claims	40,000.00	50,000.00
Contingency Reserves	450,000.00	500,000.00
Surplus above reserves	565,577.79	613,500.37
	$15,705,811.31	$16,659,000.48

E. J. TARR, *President* G. C. CUMMING, *General Manager*
THE MONARCH LIFE Assurance Company

Rise in Loans Found Below Expectations

Banker Explains Conditions Tending to Restrict Credit Demand

While current loans of the Canadian chartered banks have consistently shown increases over the corresponding months of the previous year, the gain has not been as great as many had expected. Figures for Nov. 30, the latest available, show an increase of over $107 millions or slightly less than 10%. This appears moderate in comparison with the expansion shown in some other lines of business. The total increase was shared in by all 10 chartered banks as is evident from the following table.

Current Loans in Canada
Millions of $

	—November—	
	1941	1940
Montreal	248.4	220.8
Nova Scotia	108.6	93.6
Toronto	60.2	50.7
Provincial	14.4	13.3
Commerce	242.3	219.8
Royal	241.7	229.4
Dominion	79.4	71.2
Nationale	49.9	49.5
Imperial	79.0	68.5
Barclays	4.2	3.8
	1,128.6	1,021.2

Much of the total increase shown has been due to the banks financing war plants and industries. These have included, in some cases, construction of plants for the government, as well as for private concerns working on government contracts. In the case of plants for the government, the cost was ultimately paid from the national treasury. But sometimes during construction the building contractor found it desirable to resort to borrowing from the banks to meet his day to day expenditures. Then construction of privately owned plants was also often financed by bank credit.

Operating Industries

Many industries actually operating, also found it desirable to borrow from the bank to pay for raw materials and to pay wage bills as they came due. Governments are often slow pay although sure. Bank credit has helped many concerns to bridge the gap between expenditures and payment. A government contract is looked on as good security and there is usually no difficulty in getting a loan where such a contract exists.

The large holdover of the 1940 wheat crop also meant a demand for bank credit. Apart from the wheat loans, however, the volume of borrowing has not been up to expectations.

Construction Outlook

At the annual meeting of the Bank of Nova Scotia, H. D. Burns general manager, said:

"The increase in our current loans in Canada—and this applies also to the other banks—is, perhaps, not as great as one would expect from the large expansion in the volume of business throughout the country during the year. But many of the country's principal war production activities have been financed by government advances and we find, also, that many businesses are in a relatively strong working capital position and able to finance their turnover without recourse to bank credit in any large volume.

"We, of course, are anxious to do our full share in the financing of production generally throughout the Dominion and elsewhere where we have branches, and we hope to maintain our volume of current loans, although the present indication is not for any large increase.

"As a matter of fact, in the immediate future, decrease in our figures may be likely because construction for war purposes, for which we have some sizable advances outstanding, may not be at as high a level in 1942."

Bank of Canada Assets Lower

Holdings of Short Term Securities Down — Deposits Decline

Further decline in investments is shown in the statement of the Bank of Canada for the week ended Jan. 28. This decline of $21 millions was entirely in short term government issues, there being a slight rise in holdings of long terms.

Miscellaneous assets including cheques on hand but not yet cleared were also lower. But holdings of sterling and United States exchange gained $11.1 millions. The net change in assets accordingly was a decline of almost $17 millions.

On the liability side, total deposits were almost $16 millions lower. Dominion government, chartered bank and miscellaneous deposits all contributed to the decline. It was possibly to meet some of these withdrawals that the bank reduced its investments by selling securities on the market.

	Jan. 28 1942 $	Jan. 21 1942 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in circ.	477,231,892	478,789,998
Rest fund	3,722,910	3,722,910
Depos.: Dominion	40,511,149	44,891,181
Banks	189,562,728	199,277,310
Other	9,815,100	11,276,530
Total deposits	239,888,976	255,445,021
All other liabs.	9,444,388	9,225,396
Total liabs.	735,288,166	752,183,325
Assets		
In sterling & U.S.	274,696,841	263,571,841
Subsid. coin.	409,167	362,248
Investments:		
Dom. gov. short	248,412,093	270,525,013
Other Dom. gov.	203,275,341	202,200,149
Total invest.	451,687,434	472,725,162
Premises	1,769,262	1,763,886
All other assets	6,725,462	13,760,188
Total assets	735,288,166	752,183,325

Fire Prevention Men To Meet on May 18

The 1942 annual meetings of the Dominion Fire Prevention Association and the Association of Canadian Fire Marshals will be held at the Seigniory Club, Quebec, May 18-20. The president of the Dominion Fire Prevention Association is D. P. Cruikshank, president of the Steel Equipment Co., Ottawa, and the president of the Association of Canadian Fire Marshals Col. S. S. Wright fire marshal of Nova Scotia. W. L. Clairmont, Dominion Fire Commissioner, Ottawa, is secretary of both associations.

Staff Changes

The Bank of Toronto announces the following staff changes:

J. W. RUNGE, formerly accountant, Mazenod, Sask., appointed manager of the branch.

E. R. RIDGWAY, formerly accountant, LaFleche, Sask., appointed manager of the branch.

V. E. FRENCH, formerly manager, LaFleche, Sask., appointed manager, Gravelbourg, Sask.

H. W. THOMPSON, manager, Gravelbourg, to be manager, Rosetown, Sask.

G. A. HETHERINGTON, manager, Rosetown, Sask., to be manager, Regina, succeeding F. C. Burnet.

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The Imperial Bank of Canada announces the following staff changes:

R. H. TOWNROW of head office inspection staff, to be accountant, Yonge & Bloor, vice S. B. MERRILL, enlisted in the R.A.F.

A. J. RICHES, manager, Springwater, to be manager, Maymont, Sask.

A. J. PHILLIPS, formerly of Wilkie, Sask. branch, to be manager, Springwater, Sask.

D. MURRAY, accountant, Regina, to be acting manager, New Norway, Alta., vice J. C. MOSS, enlisted.

W. H. GIBSON SMITH, formerly of head office inspection staff, to be acting manager new branch at Scarboro, Ont.

J. W. McDIARMID, manager, Prince Albert, Sask., to be manager, Saskatoon.

J. A. G. CLOKIE, manager, Saskatoon, to be manager, 431 Yonge St., Toronto.

G. S. THOMPSON, manager, 431 Yonge St., Toronto, transferred to head office, Toronto.

J. BALLANTYNE, manager, Red Deer, Alta., to be manager, Prince Albert, Sask.

P. C. ROUTLEDGE, manager, Rosthern, Sask., to be manager, Red Deer, Alta.

L. F. FLURY, manager, Hague, Sask., since closed, to be manager, Rosthern, Sask.

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The Bank of Nova Scotia announces the following staff changes:

J. D. GIBSON, to be supervisor, statistical department.

To be Inspectors

C. H. CAMERON, R. B. YULE, V. F. STEEVES, E. E. OWEN.

To be Assistant Inspectors

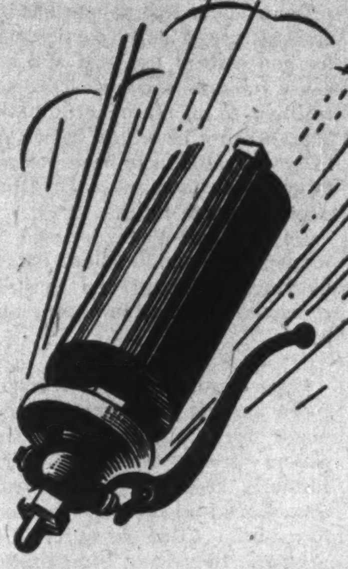
V. F. SEDGEWICK, C. N. S. SEDGEWICK, T. D. WINDROSS, H. RANDALL.

H. H. HILL to be manager, Winnipegosis, Man.

K. L. CROWLEY to be manager, Channel, Nfld.

D. B. BRETT to be manager, Catalina, Nfld.

W. S. BENT to be accountant, St. Stephen, N.B.



CALLING ALL CANADIANS

War for us has intensified. Canadians must now face the enemy on both the Atlantic and Pacific coasts. The months ahead may well bring the decisive point on which Victory will turn. That is why Canadians must produce more and more war weapons . . . must find more dollars to back up the fighting forces. Canada's Second Victory Loan is a call to men and women in every walk of life to shun complacency, to realize the issues at stake, and fight with every resource for their freedom.

Employers have their part to play!

THE RESPONSIBILITIES OF LEADERSHIP rest on you who are employers. Set the example in sacrifice by subscribing to the New Victory Bonds to the limit of your capacity. Encourage your employees to make their subscriptions a maximum effort as well.

As an employer you can co-operate with your local Victory Loan Headquarters in these important ways—

(1) by telling, or authorizing the proper Committee to tell your employees the facts about Canada's Second Victory Loan—why the money is needed—why it is the duty of all to subscribe even to the point of sacrifice . . .

(2) by affording every facility for the Victory Loan Workers to contact your employees in your plant or business . . .

(3) by initiating your own sales organization among your employees where it is physically impossible for the official salesman himself to contact every individual . . .

(4) by making available to your employees a regular Payroll-Savings Plan enabling them to buy their Victory Bonds over an extended period . . .

(5) by preparing yourself or others in authority to answer the questions of your employees concerning the New Victory Bonds.

This you are asked to do—for remember: no one can do enough to help end this struggle and to shorten the road to Victory.

"Come on Canada!"

Buy the New

VICTORY BONDS

NATIONAL WAR FINANCE COMMITTEE, OTTAWA, CANADA

A51

Pulp and Paper Vital to War Effort

F. G. Robinson, Association Head, Details Contribution

From Our Own Correspondent

MONTREAL.—Pulp and paper's place in the national war effort was outlined at the annual meeting of the Canadian Pulp & Paper Association.

Last year the industry maintained its position as the foremost industrial producer in Canada and stepped up materially in direct and practical ways support of Canada's part in the war.

Output of all kinds of pulp and paper, according to F. G. Robinson, retiring president, totalled close to 10 million tons, having a sales value of about $400 millions. Of this more than a quarter billion dollars represents the industry's contribution to Canada's external money credits.

Output last year set an all-time record and represented an increase of about 380,000 tons over 1940.

Meet U. K.'s Needs

In the sphere directly related to the war, Mr. Robinson drew attention of the war needs for the industry's products by the United Kingdom, by the British Commonwealth and allied countries.

The makers of boxboard and wallboard have met demands from Britain, which due to war conditions have been spasmodic and therefore difficult to gauge without disrupting other urgent demands for war needs here. As compared with pre-war years, shipment of wallboard is more than doubled.

The book and writing mills and makers of wrapping papers have shipped considerable tonnage essential to the war needs of the British Commonwealth and allied countries, formerly supplied from other sources.

Exports of all kinds of pulp to the United Kingdom were again substantially increased during 1941; by about 50% over 1940. As compared with pre-war years, tonnage exports to the United Kingdom increased nearly four times. This was accomplished without serious dislocation of normal exports to the United States, which increased about 30% during the past year.

Details of manufacturing activity and steps taken to meet world-wide demands were set out in the sectional reports at the annual meeting.

Larger production of board, of all grades, totalled over 500,000 tons (actual figures for the first 11 months being 476,512 tons) an all-time record.

The demand for board for war purposes became so great during 1941 that an emergency committee was created to study the situation. It decided that certain grades, calipers, colors, etc., should be eliminated. The introduction of these new manufacturing methods is expected to materially assist in the war effort, but it is expected that further changes and eliminations this year will be needed.

One of the problems is effective action to increase the flow of wastepaper to the mills. This material is vital to the manufacture of shell tubes and other essential war requirements. Stocks of wastepaper on hand at the mills Jan. 1, 1941 had decreased by 29% to the end of September and today many mills are operating hand to mouth.

Ration Fine Orders

The book and writing paper mills report production and shipments in 1941 exceeding those of the previous year, figures for the two years indicating that production increased 8.9% and shipments 12.6%.

Demand for fine papers has increased appreciably, particularly for government use, and also because imports declined. This has resulted in increased mill backlogs, because of which in certain instances mills have been obliged to place customers on an allotment or quota basis.

Imports last year declined in tonnage 44% and in value 27% for blotting, cardboard and Bristols, rotogravure, magazine stock and cover.

Face Many Problems

Since the outbreak of the war, there has been an increased demand for Canadian-made fine papers from countries which formerly received supplies from abroad. Not all of these demands have been filled because, in a measure, they have been limited by the permits that can be obtained in relation to the export shipments.

Outlook for this year in the fine paper section is uncertain. It is anticipated production will be maintained at satisfactory levels, notwithstanding restrictions in relation to raw materials.

Chemical Pulp Booming

Chemical pulp mills report abnormally active demand. In 1940 this branch of the industry was already hard pressed, but with the complete cessation of shipments to the United States from Scandinavian countries, during 1941, and only very small and spasmodic shipments from Finland and Sweden to countries other than United States, all papermakers throughout the world sought pulp supplies from North America.

Exports Up 30%

During 1941 exports of chemical pulps from Canada amounted to over 1.1 million tons, an increase of 30% over the previous year.

This reflected an overall increase in production of all chemical pulps of about 190,000 tons in 1941, as compared with 1940, an increase of about 10%.

Altogether 1941 exports of sulphite pulp to the United Kingdom were some 20% in excess of 1940. During the same period exports to the United States were also increased 33%. Exports to the United Kingdom were about three and a half times those of pre-war years,

Produce Special Grades

During the past year both the Canadian and the United Kingdom Governments required special grades of pulp for essential war needs. These have been promptly met by voluntary arrangements within the industry whereby those mills best adapted to the manufacture of these grades produced the entire quantity needed and were compensated by tonnage of other grades from those mills whose quota they produced.

Specialty Field Active

In the lightweight specialty paper field, all mills are operating at capacity, demand from the domestic trade often making prompt delivery impossible.

All indications point to the fact that the lightweight specialty paper mills should operate at capacity during 1942, if not impeded by shortage of pulpwood or other raw materials.

Groundwood at Capacity

In the mechanical pulp section, the demand for the first two or three months of last year was not excessive, but gradually this increased until by June a definite shortage in this fibre had developed.

Drought in several sections of the United States and Canada reduced groundwood production and, in certain instances, United States' news mills had to buy some of their requirements.

Exports of mechanical pulp increased considerably over the previous year due to heavier demand from the United States and United Kingdom, and the production of dry groundwood by newsprint mills was helpful in meeting this demand.

Because of the need of additional fibre brought about by war it is expected the groundwood industry will produce during 1942 to its maximum capacity.

Heavy Demand for Kraft

Production of wrapping paper for 1941 showed a very substantial increase over that for 1940. This resulted from government demand, from the domestic and export markets.

To distribute the available tonnage for 1942 equitably customers have been put on an allotment basis. Unnecessary colors and uneconomical weights have been eliminated. Study is being given to devising ways to discourage Canada in the waste of wrapping papers or their use for non-essential purposes.

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New Zealand Starts Board Mill

Will Make Herself Independent of Canadian and Other Imports

From Our Own Correspondent

MONTREAL.—New Zealand has taken steps to make itself independent of imports of insulating wall board from Canada and other sources.

The new plant of the New Zealand Forest Products Ltd., of Auckland, has put "Pinex" wallboard on the market. The mill is located near Auckland and capacity is reported sufficient to supply the entire New Zealand demand.

Many orders have been received and several overseas concerns have made enquiries regarding the new product.

Chairman of the board is reported as saying machinery had been ordered to increase the capacity of the present board mill by 50%.

JAMES W. SEWALL
Ruttan Block, Port Arthur, Ont.
Timber Cruises and Valuations
JAMES W. SEWALL
Old Town, Maine
PHILLIPS & BENNER

Abitibi Earns $9.9 Millions

Publication of the monthly earnings of Abitibi Power & Paper Co. for December shows that the company achieved record levels last year. At $9.9 millions, monthly earnings, before depreciation and interest, are 26.85% above 1940.

December earnings include $201,910 received as premium on U.S. funds. Bond interest, including interest on overdue interest, is calculated at $275,361 for December.

G. T. Clarkson, receiver and manager, estimates that January newsprint shipments will amount to about 49,000 tons. This compares with 49,991 tons in December last year and 26,141 in January a year ago.

Monthly Earnings

	1941 $	1940 $	Incr. %
January	476,993	447,776	6.52
February	517,915	389,594	32.94
March	687,529	383,152	79.44
April	695,728	525,116	32.49
May	752,858	817,458	§7.90
June	718,109	885,862	§18.94
July	775,152	941,390	§17.66
August	866,139	802,325	7.95
September	1,087,262	731,764	48.58
October	1,148,942	702,460	63.56
November	1,114,431	630,584	76.73
December	1,059,356	547,263	93.57
12 months	9,900,414	7,804,744	26.85

§Decrease.

Shipments

	1941 Tons	1940 Tons
Newsprint	473,433	430,489
Bleached sulphite	91,437	73,971

Wood Shortage Threatens Pulp Mills

Canada's pulp and paper industry is threatened with a serious shortage of pulpwood within the current year unless measures are taken to counteract the effect of labor shortages in the woods, in the view of Hon. W. Earl Rowe, president of Great Lakes Paper Co.

Mr. Rowe, whose company operates extensive pulpwood limits of its own and buys pulpwood from other operators in the area tributary to Fort William, Ont., admits that stocks of pulpwood are dangerously low and that plenty of trouble is being experienced in replenishing them.

His own company proposes to extend its normal pulpwood cutting season far beyond usual winter months this year. Under normal conditions most of the cutting of pulpwood is done in the early winter months and the cut wood hauled to transport centres on the heavier snows of later winter. Thus the season for actually cutting pulpwood probably does not extend much more than three months with a similar period used to haul the wood to the rivers or roads or railways for transport.

Cut in Summer

Now it is proposed to cut pulpwood during summer months. There will be perhaps a two-months delay during the break-up period in the spring when woods activities are impossible. But it is the intention of Great Lakes Paper to cut during most of the summer months. In this way it is hoped to ease the shortage and permit full time operations of its mill next year. Pulpwood cut during the summer months will be piled and left for hauling on the winter snows for the most part.

Mr. Rowe estimates that there is an actual shortage of perhaps 3,000 men in bush work at the head of the lakes right now. This hits both Abitibi Power & Paper Co. and Great Lakes, the two newsprint and pulp producers active in that area, as well as independent pulpwood and timber operators.

Compete Against U. S.

Canadian buyers of pulpwood have had to compete against higher prices in the United States at least until the recent measure requiring a license to export pulpwood. Prices in the United States have been running from $2 to $5 a cord above Ontario prices.

A measure suggested by Mr. Rowe to ease the labor shortage would be some means of persuading workers in the bush to abandon their time-honored habit of going from job to job and taking time off for a celebration at frequent intervals.

More extensive use of rail haulage for pulpwood is planned this year in an endeavor to assure year-round supplies.

Allege Wasteful Use

Some difficulties have developed in the Fort William district through the province's action in permitting timber operators to come into pulpwood limits to cut sawlogs. It is claimed that this has resulted in inefficient use of the wood without considering any other aspects of the practice. The timber operators were required to cut only logs 11 inches through, or more, at the butt. Even this has meant use of a lot of small logs for timber.

It is pointed out that with logs 12 inches across at the top, the equivalent of two cords will provide a thousand board feet of lumber and with 14-inch logs, about 1½ cords. But if logs down to eight inches at the top are used, a size similar to that best adapted for pulpwood, 4.2 cords are needed to make a thousand feet of lumber. This 4.2 cords of pulpwood would turn out about four tons of newsprint. On export markets the timber may be worth $30 a thousand feet in the U. S., while the equivalent amount of newsprint is worth $200 in the U.S.

Enough to make a Sun Beam Jealous!

LIGHT—floods of brilliant sunlight pouring in through walls that are mostly windows—is one of the outstanding characteristics of the new Royal Typewriter Plant in Montreal.

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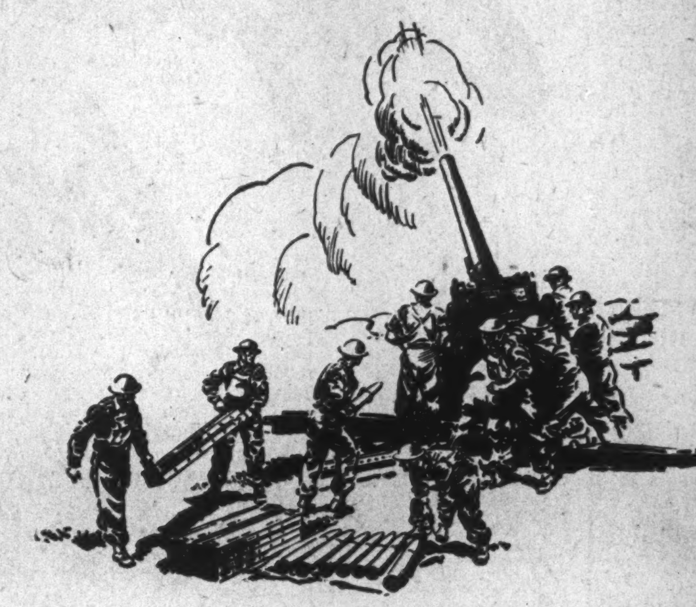

PAPER ON THE FRONT LINE
NATIONAL SALVAGE CAMPAIGN

By encouraging the salvaging of old books, newspapers, bills and other documents, Canadians can reinforce the firing power of the Navy, the Army and the Air Force and thereby contribute to Canada's war effort.

WHAT ONE TON WILL PRODUCE

One ton of paper will produce material for any of the following:

- 1,500 shell containers
- 47,000 boxes for small arms ammunition
- 9,000 shell fuse component parts
- 3,000 boxes for aero cannon shells
- 1,000 packing cases for two pounder shells

and these are only a few of the essential war products in which paper plays a part.

OTHER WAYS YOU CAN HELP

While the pulp and paper industry is daily setting new production records to cope with wartime demands, this is not enough. You can help by—

1—limiting non-essential uses of paper and paper products
2—using other grades than in peace time
3—keeping to standard grades and colours, and
4—eliminating waste . . . today and every day.

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Port Arthur, Ont.

Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

Company Reports

Continental Life

Highlights of the annual report of the Continental Life Insurance Co for the year ended Dec. 31 were:

Insurance in force up $1.9 millions.

New insurance settled for amounting to $5.7 millions.

Total income t new high record.

Assets at highest level in history.

Total insurance in force at Dec. 31 was $46.2 millions. In addition there were 113 immediate annuity contracts providing total annual payments to annuitants of $36,672, John W. Hobbs president stated in his report.

New business fr the year on a s ttled-for basis and business revived and increased totalled $5.7 millions or about $250,000 less than in the previous year.

Total income for the year and total assets both established new high records. Total income was $1.9 millions and total assets $11.2 millions. Contributing to the higher income was an increase in premiums and in interest and rents received. Payments to policyholders were slightly above those of the previous year.

	1941	1940
	$	$
New insurance	5,749,623	6,012,761
Insurance in force	46,204,981	44,300,885
Total income	1,980,424	1,839,670
Premiums	1,279,691	1,227,009
Interest rents, etc.	531,081	501,909
Policy payments	852,818	851,149
Assets	11,231,186	10,617,516
Bonds and debs.	5,245,844	4,782,825
Stocks	1,379,649	1,279,434
Mortgages	1,825,759	1,861,029
Policy loans	1,205,710	1,251,732
Policy reserves	9,577,827	9,104,912
Surplus	345,151	447,534

Monarch Life

Features of the annual report of the Monarch Life Assurance Co. for 1941 are:

An increase in new insurance.

A gain of $3.5 millions in insurance in force.

Higher total assets.

Free surplus up $48,000.

New insurance written during the year was $8.8 millions an increase of over $600,000 while insurance in force at Dec. 31 amounted to $68.8 millions.

Total assets amounted to $16.6 millions. Increases were shown in holdings of bonds and debentures, stocks. Mortgages and policy loans were lower.

The average rate of interest earned on invested assets was 5.17% compared with 5.21% in the year previous.

G. C. Cumming, general manager, stated at the annual meeting that the termination rate had shown a decline for the seventh consecutive year and was the best on record.

The expense ratio he noted also was favorable and below that for the previous year. Mortality experience was 46.11% of tabular expectation and death claims due to the war were 12.7% of the total claims paid.

Policy reserves during the year increased almost $1 million and total special funds above legal obligations available for the protection of policyholders were $1.4 million or 9.9% of all legal obligations.

	1941	1940
	$	$
New insurance	8,843,542	8,232,039
Insurance in force	68,861,730	65,345,111
Total assets	16,659,000	15,705,811
Bonds & debs.	8,072,654	6,577,858
Stocks	2,114,206	2,017,270
Mortgages	3,487,170	3,737,145
Policy loans	1,879,689	1,948,700
Policy reserves	13,438,823	12,693,677
Surplus	613,500	565,577

Victoria Trust

Victoria Trust & Savings Co., Lindsay, net profits held steady during 1941 despite higher taxes, amounting to $4.70 a share compared with $4.71 in 1940. Operating earnings were up $1,100 to $56,494 but taxes climbed $1,200 to $18,400.

Company's guaranteed trust account moved up $126,000 on the year to $7,320,934 while estates under management expanded some $60,000 to $1,836,073.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Net earnings	56,494	55,382
Less: Taxes	18,400	17,200
Net profit	38,094	38,182
Less: Dividends	32,400	36,450
Tfr. spec. res.	5,000	......
W/o off. premises	......	389
Surplus on year	694	1,343
Add: Prev. surplus	25,295	23,952
Surplus forward	25,989	25,295
Net profit per share	$4.70	$4.71
Paid	4.00	4.50

Liabilities to Public
As at Dec. 31

	1941	1940
	$	$
Investment certs.	5,506,573	5,565,523
Trust deposits	1,814,361	1,629,395
	7,320,934	7,194,918
Secured by:		
Liquid assets	1,932,490	1,723,748
Mtges. & int.	5,388,444	5,471,170
Other net assets	1,520,989	1,620,295
	8,841,923	8,815,213
Estates, etc.	1,836,073	1,776,850

Yarmouth Bldg. & Loan

Net profit after all charges of Yarmouth Building and Loan Society Yarmouth, N.S., was $8,911 in 1941, compared with $11,974 in 1940. This equalled 4.9% on paid-up capital compared with 6.4% in the previous year. Partially accounting for the decline in earnings was an increase of $1,500 in taxes to a total of $7,500.

Net mortgages held increased to $283,450 from $263,465. Real estate declined $2,000 to $4,267 while cash dropped around $9,500 to $435. Paid-up capital amounts to $183,848, down almost $2,000 on the year.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Transfer from:		
Int. acct.	22,737	23,068
Premium acct.	105	165
Inc. real estate	667	469
Inv. profits	5	......
Tax income	56	56
	23,570	23,759
Less: Expenses	3,402	3,011
Interest	2,756	2,504
Taxes	7,500	6,000
Deb. int	......	269
Tfr. to gen. res.	1,000	......
Net profit	8,911	11,974
Less: Dividends	9,214	11,236
Deficit on year	303	*738
Add: Prev. surplus	2,480	1,742
Surplus forward	2,177	2,480

*Surplus.

Northern Trusts

Northern Trusts Co., Winnipeg, profit in 1941 advanced to $41,185 or $1.37 a share, from $17,672 or 59 cents a share in 1940.

Entire net profit was credited to surplus account, no dividends having been paid by the company since 1932. Surplus carried forward now amounts to $203,736.

Guaranteed funds and trust and agency funds showed some contraction on the year. Estates and trusts under management now total $14.0 millions against $14.2 millions at the end of 1940.

Liabilities to Public
As at Dec. 31

	1941	1940
	$	$
Guaranteed funds	609,891	814,392
Trust funds	438,810	513,701
	1,048,701	1,328,093
Secured by:		
Liquid assets	7,507	5,391
Mtges. & sale agmts.	1,041,194	1,322,702
Other net assets*	1,112,694	1,081,106
	2,161,395	2,409,199
Estates	14,051,597	14,268,921

*Investment reserve, amounting to $305,908 in 1941 and $315,505 in 1940, not deducted.

Waterloo Trust

A one third increase in taxes cut net profit of Waterloo Trust & Savings Co. in 1941 to $8.72 a share ($9.61 in 1940).

Ford S. Kumpf, president, notes that although many hundreds of clients bought Victory Bonds, guaranteed funds show an increase of $321,835 to total $11.3 millions. The trusts and estates department, after final distribution of a number of estates, shows a total of $8.2 millions, up $273,079 on the year.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Net earnings	127,743	126,542
Less: Taxes	40,516	30,395
Net profit	87,228	96,147
Less: Dividends	50,000	50,000
Conting. res.	31,306	41,458
W/o off fixtures	3,000	3,000
Surplus on year	2,922	1,689
Add: Prev. surplus	22,999	21,310
Surplus forward	25,920	22,999
Earned per share	$8.72	$9.61
Paid	5.00	5.00

Liabilities to Public
As at Dec. 31

	1941	1940
	$	$
Guar. invest. certs.	4,113,795	4,146,602
Deposits	7,243,999	6,889,352
	11,357,789	11,035,954
Secured by:		
Liquid assets	4,755,056	4,412,940
Mtges. & int.	6,602,733	6,623,014
Other net assets	1,425,920	1,422,999
	12,783,709	12,458,953
Estates, etc.	8,264,446	7,991,367

Hudson Bay Mtge.

Hudson Bay Mortgage Co. of Vancouver had net profit in 1941 of $1,527 as compared with $656 in 1940. No provision was made during the year for 1941 Dominion Income Tax.

Total balance sheet assets were $90,115 against $89,903 in 1940. Reserve for possible loss on properties offered for sale at less than book value now amounts to $5,552 compared with $6,443 in 1940, two properties having been sold during the year

Income and Deficit Account
Years Ended Dec. 31

	1941	1940
	$	$
Receipts	4,786	4,802
Less: Expenses	3,150	4,025
Prov. taxes	108	121
Net profit	1,527	656
Less: Prev. deficit	14,438	14,923
Prev. yr. tax	110	171
Deficit forward	13,021	14,438

Preferred dividends are in arrears since June 30, 1934.

W. E. N. BELL
Taxation & Insurance Consultant
505 Metropolitan Bldg.,
Toronto — AD. 5457

Industrial Mortgage

Industrial Mortgage and Trust Co., Sarnia, Ont., had net profit in 1941 of $2.15 a share ($2.09 in 1940). Regular dividends at the annual rate of $2 a share were paid.

Guaranteed trust account shows a moderate decline in mortgages and interest. Liquid assets rose almost $200,000 to $1.7 million.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Net profit	27,271	26,517
Less: Dividends	25,400	25,400
Surplus on year	1,871	1,117
Add: Prev. surplus	30,298	29,181
Surplus forward	32,169	30,298

Liabilities to Public
As at Dec. 31

	1941	1940
	$	$
Guar. invest. certs.	2,410,321	2,452,255
Deposits	1,206,787	1,197,720
	3,617,108	3,649,975
Secured by:		
Liquid assets	1,707,931	1,539,735
Mtges. & int.	1,792,177	1,922,239
Other net assets	1,326,935	1,238,298
	4,827,043	4,700,272
Estates, etc.	1,085,035	1,061,663

Can. Investment Fund

Canadian Investment Fund Ltd. reports 1941 income of $464,895, ($443,802 in 1940). Expenses and dividends showed little change, leaving surplus of $20,167, against a deficit the year before of $27,169. In 1940 the accounts included management and directors fees of $13,545 and a larger appropriation for share redemption.

Balance sheet shows investments at an average cost of $8,092,417, practically the same as a year earlier. Market value of investments was $6.6 millions. ($7.4 millions in 1940). The number of shares outstanding was $2,290,713. ($2,273,746 in the 1940 statement). During the past year 114,757 shares were sold, and 97,790 shares redeemed. In 1940 103,021 shares were sold and 217,410 shares redeemed.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Income	464,895	443,802
Expenses	16,459	16,709
Taxes	40,523	47,069
Net income	407,913	380,024
Less: Man. fees	......	13,545
Net profit	407,913	366,479
Less: Special divds.	383,251	381,907
Ord. dividends	170	165
Share redemption	4,325	7,027
Income tax, 1936	......	2,549
Balance	20,167	*27,169
Previous balance	148,512	159,575
Balance forward	168,679	134,406

*Deficit.

General Steel Wares

General Steel Wares' statement for 1941 shows operating profit at nearly $2 millions, ($1.6 million in 1940), the largest in some years. After raising tax provision from $299,500 to $440,000 and setting up special depreciation reserve of $119,948 on war contract equipment net profit was $228,619, (70 cents on the common stock). Last year net profit was $86,317, (35 cents a share).

Balance sheet shows general strengthening with working capital at $4.5 millions. Funded debt was reduced from $6,352,000 to $6,127,000. Property account increased from $12.8 millions to $13.1 millions, and inventory from $3.6 millions to over $4.1 millions. Cash was somewhat lower as were also accounts receivable which now stand at just under $1.5 millions.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Gross income	1,974,628	1,584,205
Less: Bond interest	270,756	279,172
Depreciation	496,750	492,641
Special allowance	119,948	......
Directors' fees	5,750	3,750
Exec. salaries*	85,655	73,623
Tax provision	440,000	299,500
Net profit	555,769	435,517
Less: Pfd. dividends	327,150	349,200
Com. dividends	155,439	......
Surplus	73,180	86,317
Previous surplus	482,267	395,949
Surplus forward	555,447	482,266

*Including legal fees.

Working Capital

	1941	1940
	$	$
Current assets	5,850,804	5,741,761
Current liabilities	1,377,187	1,358,382
Working capital	4,473,617	4,383,379

Belding-Corticelli

Belding Corticelli Ltd. recorded a sharp expansion in operating profit in 1941, total income from all sources reached $850,149, ($519,185 the year before). After raising provision for income taxes from $120,000 to $425,000, net profit available on the common stock amounted to $93,596, or $12.49 a share. ($9.94 a share in 1940).

Balance sheet shows general strengthening with working capital at $1,294,767. ($1,132,644 in 1940). Inventories are up slightly at $746,711, also accounts receivable at $677,350. Investments rose from $143,040 to $316,988. Net additions to plant were $101,696.

In his report W. P. MacDougall, president, said supplies were becoming increasingly difficult to secure in sufficient quantities. However, it is expected the new Canadian Nylon plant will be delivering yarn in 1942 "which will permit our offering Nylon hosiery in larger quantities to the women of Canada."

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Gross income	850,149	519,185
Less: Depreciation	186,860	171,218
Tax provision	425,000	120,000
Employee fund	30,000	33,000
Directors' fees	7,240	8,110
Advert. reserve	......	10,000
Exec. salaries	45,536	40,704
Legal fees	1,346	1,103
Net profit	154,167	135,050
Less: Pfd. dividends	60,571	60,571
Com. dividends	29,980	29,980
Surplus	63,616	44,499
Previous surplus	639,104	594,605
Less: Spcl. deprec.	33,923	......
Surplus forward	668,797	639,104

Working Capital

	1941	1940
	$	$
Current assets	1,888,420	1,488,691
Current liabilities	593,653	356,047
Working capital	1,294,767	1,132,644

DON'T TELL ME WHAT TO DO ON A RAINY DAY
RAIN !!

YOUR COMMERCIALS CLICK IN THE TALL TIMBER. HOW ABOUT THE SHORT GRASS?

WHAT goes in Truro won't necessarily go in Toronto. Victoria and Victoriaville are separated more than by just a few thousand miles. They're shaving in Saskatoon when they're lunching in La Pocatière. Only by national spotting can your radio advertising attain maximum effectiveness in all markets.

In national spotting—in getting your radio advertising over the right station in the right locality at the right time to reach the *right* people—you'll find, as others have, that All-Canada holds the answer. Thirty leading stations throughout Canada, commanding in each locality the preferred spot on the dial, *plus* the kind of cooperation that is possible only in a closely-knit family of independent stations—these are the factors that make All-Canada the choice of shrewd radio advertisers.

Whether you want coast to coast coverage or only certain stations, All-Canada will do a job for you—make your story *effective* in each individual locality. Ask your agency about the All-Canada Stations or write us for the facts.

ALL-CANADA
ALL-CANADA RADIO FACILITIES *Limited*
MONTREAL • TORONTO • WINNIPEG • CALGARY • VANCOUVER

APRIL 30 *Last* YEAR
MARCH 31 *This* YEAR

THIS year, your personal Income Tax Return *must* be filed one month earlier—on or before 31st MARCH.

We are thoroughly experienced in the preparation of Returns.

Would it not be a relief to you to have us prepare yours? This service is available for a moderate fee.

THE ROYAL TRUST COMPANY

4203G

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
DEPOSITS ACCEPTED 5-YEAR DEBENTURES ISSUED
Deposits and Debentures (31 Dec., 1941), $12,531,188

The GREAT LAKES PAPER COMPANY *Limited*

Manufacturers of
HIGH-GRADE NEWSPRINT
and
SULPHITE PULP

A modern mill affording an annual capacity of 113,000 tons newsprint, also excess sulphite mill capacity sufficient to provide 15,000 tons annually of unbleached sulphite pulp for export.

PAPER MILL AT
FORT WILLIAM, ONTARIO
TORONTO OFFICE
55 YORK STREET

DIRECTORS
HON. EARL ROWE
President
A. D. COBBAN
Vice-President
L. E. ALDRICH
RAY LAWSON
W. J. PALMER
C. B. SHIELDS
R. G. MEECH, K.C.
SEN. N. M. PATERSON
J. E. GEFAELL
Vice-president in charge of sales
C. ENGLAND
Assistant to the President and Secretary-Treasurer

CANADA PERMANENT
Mortgage Corporation
HEAD OFFICE: CANADA PERMANENT BUILDING, 320 BAY STREET, TORONTO

FINANCIAL STATEMENT
for the Year Ending December 31st, 1941
PRESENTED AT ANNUAL MEETING HELD JANUARY 30th, 1942

ASSETS

Office Premises—		
Toronto, Winnipeg, Vancouver, Saint John, Edmonton, Regina, Halifax, Woodstock (Ont.) and Brantford (Ont.)		$ 3,496,500.00
Real Estate held for Sale		1,512,280.02
Mortgages on Real Estate—		
Principal	$47,762,372.45	
Interest	900,967.42	
		48,663,339.87
Loans on Bonds and Stocks		44,883.94
Bonds and Stocks Owned—		
Bonds of Dominion of Canada and Provinces of Canada		2,890,872.67
Bonds guaranteed by Dominion of Canada or Provinces of Canada		2,704,421.82
Bonds of Canadian Municipalities		688,566.85
Bonds guaranteed by City of Toronto		98,452.62
Other Bonds and Debentures		198,012.52
Stocks, including $980,000 of The Canada Permanent Trust Company (at par)		1,748,575.48
Cash—		
In Chartered Banks and on hand		4,093,004.36
		$66,138,910.15

LIABILITIES

To the Public—		
Debentures—		
Debenture Stock and Accrued Interest (£163,136:16s:4d)	$ 793,932.50	
Debentures, Sterling, and Accrued Interest (£1,662,568:14s:3d)	8,091,167.74	
Debentures — Currency — and Accrued Interest	27,243,219.58	
Deposits and Accrued Interest	17,262,750.71	
Reserve for Income and Excess Profits Taxes payable in 1942	175,000.00	
Sundry Accounts	26,876.80	
		$53,592,947.33
To the Shareholders—		
Capital Stock subscribed and fully paid	$7,000,000.00	
Reserve Fund	5,000,000.00	
Dividend payable 2nd January, 1942	140,000.00	
Balance carried forward at Credit of Profit and Loss	405,962.82	
		12,545,962.82
		$66,138,910.15

PROFIT AND LOSS ACCOUNT

Balance at Credit of Profit and Loss, December 31st, 1941	$ 400,605.50
Net Profits for the year, after deducting interest on borrowed capital and expenses of management, after paying Dominion Income and other Taxes due and after making full provision for all charges and losses other than those provided for hereunder, amounted to	690,357.32
	$1,090,962.82
Appropriated as follows:	
Four quarterly dividends of Two per cent. each on the paid-up Capital Stock	$ 560,000.00
Written off Office Premises	100,000.00
Transferred to Tax Reserve	25,000.00
Balance carried forward at Credit of Profit and Loss	405,962.82
	$1,090,962.82

BOARD OF DIRECTORS

F. GORDON OSLER, President
JOHN A. ROWLAND, K.C., 1st Vice-President
E. D. GOODERHAM, 2nd Vice-President
F. S. CORRIGAN
GEORGE H. GOODERHAM
JOHN R. LAMB
ROY L. WARREN
CHARLES S. ROBERTSON
LEIGH M. McCARTHY
G. HAROLD AIKINS, K.C., Winnipeg

CHARLES S. ROBERTSON JOHN A. ROWLAND, K.C. Joint General Managers
ROBERT HENDERSON WALTER F. WATKINS Assistant General Managers

Branch Offices: Toronto, Woodstock and Brantford, Ont.; Winnipeg, Man.; Edmonton, Alta.; Regina, Sask.; Vancouver, B. C.; Saint John, N. B. and Halifax, N. S.

THE WEEK'S QUOTATIONS

Toronto and Montreal Exchanges

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING FEBRUARY 2

A

Range 1942 High	Low	Div. R'te $	Jan31 Y'ld %	Company	Sales	Last Jan. 26	Week end. Feb. 2 H	L	Cl'se
.65	.40			Abitibi	355	.50	.60	.55	.60
7	5			Do. pref. 6%	325	6	6½	6	6½
†15	8			Do. pref. 7%		(9 bid — asked)			
†3	1			Acme Glove		(3 bid 4 asked)			
60	60	6.50	10.8	Do. pref.		(— bid 60 asked)			
13	13	80+20c	8	Agnew Surp.		(12½ bid 13 asked)			
†108	105	7	6.6	Do. pref.		(108½ bid 110 asked)			
†1.50	.75			Alta. Pac. Gr.		(.50 bid 1.00 asked)			
27	22			Do. pref.	105	26	27	22	25
9	8½			Algoma Steel	1310	9	9	8½	9
82	82	5	6.1	Do. pref.		(82½ bid — asked)			
109	100	8+2	9.8	Aluminium	850	100½	102	101	101
†120	115	6	5.2	Do. pref.		(116 bid — asked)			
7½	7½	25c		Amal. Electric		(7½ bid — asked)			
37	37	60c	1.6	Amer. Cyn. B.		(33 bid — asked)			
46½	44	2.75	5.9	Ang. Can. T. p.		(— bid 44 asked)			
19	18	60+60c	6.4	Asbestos	161	19	19	18¾	19
18½	16	1.75	10.9	Assoc. Brew.	151	17	17	16	16
†111	108½	7	6.3	Do. pref.		(110½ bid — asked)			
†1	1			Assoc. T. & T.A.		(— bid — asked)			
‡24	24	96c		Do. pref.		(— bid 25 asked)			
§103	101	5.50	5.3	Ault & Wiborg		(102 bid — asked)			

B

Range 1942 High	Low	Div. R'te $	Jan31 Y'ld %	Company	Sales	Last Jan. 26	Week end. Feb. 2 H	L	Cl'se
145	142	8	5.5	Bk. Can. Nat.		(145 bid — asked)			
189	187	8	4.3	Bk. Montreal	126	189	189	188	188
273	270	12	4.4	Bk. N. Scotia	5	272	272	272	272
255	252	10	4	Bk. Toronto	7	252	252	252	252
†8½	8½	20c		Barber Ellis		(7 bid — asked)			
•5	4½			Barcelona		(— bid — asked)			
†1.25	.35			Barker's Bread		(.35 bid 1.50 asked)			
†22	16			Do. pref.		(14 bid 15 asked)			
14½	13½	1+25c	9	Bathurst Pr.	182	14½	14½	14	14
2½	1½			Do. (B)		(2 bid 2½ asked)			
4	4			Beath & Sons		(2½ bid 4 asked)			
8	6¾			Beatty Bros.	25	8	6¾	6¾	6¾
103	103	6	5.8	Do. pref.	1	101½	103	103	103
†90	88	7	7.8	Do. 2nd pref.		(75 bid — asked)			
9¾	9½			Beauharnois	805	9¾	9¾	9¾	9¾
81	81	4+2	7.4	Belding Cort.	10	80	81	81	81
†128	124	7	5.6	Do. pref.		(— bid — asked)			
150½	148	8	5.3	Bell Telephone	540	149½	149½	148	149
6¾	6¾	30+5c	5.2	Bertram & Sons		(6½ bid — asked)			
7½	7	60c	8.6	Biltmore Hats	65	7½	7½	7	7½
3	3			Blue Ribbon		(2½ bid 3 asked)			
32½	30½	2.50	7.7	Do. pref.	55	31	32½	32	32½
10½	10¾	60c	5.6	Blue Top Br. A.	16	10¾	10¾	10½	10½
10½	8			Do. (B)	30	10½	8	8	8
†22	19	1.30	6.2	Brant. Cord. pf.		(20½ bid 23½ asked)			
8½	6¾	40c		Brazilian Tr.	3370	8	8½	7¾	7¾
5½	4¾	50+10c		Brew. & Distil.	10	5	5½	5½	5½
†6½	6½	30c	4.6	Bright, T. G.		(6½ bid — asked)			
†90	90	6	6.7	Do. pref.		(90½ bid — asked)			
18	16	1	6.2	Brit. Amer. Oil	1525	16½	16¾	16	16½
16	13	1.50		B. C. Packers	21	14	15	15	15
22	20	2	9.7	B. C. Power A.	175	21½	20½	20	20½
1½	1½			Do. (B)		(1½ bid 2 asked)			
5½	4½	10c		Bruck S. Mills	155	4½	5½	5½	5½
12¾	11½	70+10c	7	Building Prod.	361	12½	12½	11½	11½
8	7½	60c	7.5	Burlington St'l.		(8 bid — asked)			

C

Range 1942 High	Low	Div. R'te $	Jan31 Y'ld %	Company	Sales	Last Jan. 26	Week end. Feb. 2 H	L	Cl'se
†70	70			Calgary Power		(— bid — asked)			
†103	98½	6	6	Do. pref.		(— bid 100 asked)			
2¾	2¾			Canada Bread		(2½ bid 3 asked)			
103	102	6	5.9	Do. pref.	2	103	102	102	102
45	40	2.50	5.6	Do. pref. B.		(43 bid 46 asked)			
5	5	40c	8	Canada Bud	540	5	5	5	5
5	4			Canada Cement	153	5	5	4½	4¾
102	100	6.50	6.4	Do. pref.	659	101½	102	100	101½
†5½	5½	40c		Can. Cr. Stone		(4 bid — asked)			
106	102	5	4.9	Canada Cycle, p	10	106	102	102	102
20½	19	1.50	7.9	C. & D. Sugar	305	19¾	19½	19	19
19	16	1.50	8.3	Can. Forg. (A)	25	16	18	17	18
19½	18¾	1.50	7.7	Do. (B)		(18 bid — asked)			
†50	35	7.50		Can. Iron		(39 bid — asked)			
†80	70	6	8	Do. pref.		(74 bid — asked)			
§390	390	20		Canada Life		(— bid — asked)			
38	36	2+50c	6.7	Can. Malting	124	37	38	37	37½
5½	4½	60c	12	Can. Nor. Pr.	25	5	5½	5	5
83	80	7	8.4	Do. pref.	5	80	83	83	83
87	85	4	4.7	Can. Packers	11	85	85	85	85
126	120	8	6.6	Can. Perman.	41	125	124	120	120
9	9	50c		Can. Starch		(9 bid — asked)			
†108	108	7	6.4	Do. pref.		(110 bid — asked)			
6¾	5¼			Can. Steamsh's.	114	6	6½	6	6
29¾	28½	2.50	8.7	Do. pref.	567	28¾	29½	28½	29½
7¾	7¼	40+10c	6.9	Can. Vinegars	10	7½	7½	7½	7½
57	52½	4	7.6	Can. W. Cable	22	55	53	52½	53
22½	21½	2	9.3	Do. (B)	32	22	22	21½	22
108	106½	6.50	6.1	Do. pref.	15	108	106½	106½	106½
1.75	1.00			Can. Bakeries		(1.00 bid 1.50 asked)			
55	50	3.25		Do. pref.		(49½ bid 52 asked)			
152	144	8	5.3	Can. Bk. Com.	22	151	152	151	151½
1.20	1.00			Can. Breweries	2620	1.20	1.20	1.10	1.15
31	28	3	10.6	Do. pref.	503	29	29	28	28
32	29	1.50+50c	7	Can. Bronze	10	29	29	29	29
†106	103	5	4.8	Do. pref.		(105 bid — asked)			
6	5	50c	10	Can. Canners	125	5½	5½	5	5
22	20	1+20c■	6	Do. 1st pfd.	275	21½	21½	20	20
9½	9	60+20c■	9	Do. 2nd pfd.	1005	9	9	9	9
6	5½			Can. Car & Fd'y	730	5½	5½	5½	5½
24	22	‡1.32		Do. pref.	405	22½	24	22½	24
27½	25½	1+1	7.7	Can. Celanese	115	26	26	25½	26
125½	123	7+60c■	6	Do. pref.	120	124½	124½	124	124
23	22½	1	4.4	Do. Rights		(22½ bid — asked)			
17	17	2	11.8	Can. Convert.		(17 bid 18 asked)			
†106¾	97	4+2	5.9	Can. Cottons		(105 bid 107½ asked)			
114	114	6	5.3	Do. pref.		(114 bid — asked)			
14½	12			Can. Dredge	75	14	13½	12	12½
†100	99½	6	6	Can. Fairb. pf.		(95 bid — asked)			
15	15	1.90	13.5	Can. For. Inv.		(15¾ bid 25 asked)			
†106	104	8	7.6	Do. pref.		(105 bid — asked)			
†220	210	8	3.7	Can. Gen. Elec.		(210 bid — asked)			
7½	7½	50c	6.9	Can. G. Inv.	240	7¾	7¼	7¼	7¼
3½	3½	25c		Can. Ind. Alc.	1150	3½	3½	3½	3½
3¾	2	25c		Do. (B)	407	3½	3½	2	2
167	157	6	3.8	Can. Indust. B.	89	159	160	157	160
175	172	7	4.1	Do. pref.		(169½ bid — asked)			
.30	.25			Can. Int. I. Tr.		(.25 bid .40 asked)			
40	40	2	5	Do. pref.		(39 bid 50 asked)			
12	12	1	8.3	Can. Lt. & Pr.		(12½ bid 13½ asked)			
9	8¾			Can. Locomo.	63	9	9	8¾	8¾
.60	.60	4c		Can. Marconi		(.60 bid — asked)			
15	15	50+70c	8	Can. Oil		(— bid 19 asked)			
123	122½	8	6.5	Do. pref.		(122 bid 124 asked)			
6½	5¾			Can. Pacific	3827	6	6½	6	6
.35	.25			C. Pr. & Pa. In.	35	.35	.25	.25	.25
1.50	1.50			Do. pref.	20	1.50	1.50	1.50	1.50
3	3			Can. Vickers		(2½ bid 3½ asked)			
24	20			Do. pref.	45	23	24	23½	23½
†9	8½	1		C. Wallpaper A.		(9½ bid — asked)			
10	10	1		Do. (B)		(8 bid 10 asked)			
42	42	2	4.8	Can. West'ho'se		(42 bid — asked)			
18	18	1.50+25c▲		Can. Wire Box	20	20½	18	18	18
1.20	1.05			Capital Estates	267	1.07	1.10	1.05	1.05
119½	119½	5	4.2	Carnation, pfd.	5	119½	119½	119½	119½
6½	6			Catelli Food	15	6½	6	6	6
†12	8	75c		Do. pref.		(— bid 10 asked)			
†2.00	1.50			Celtic Knit		(— bid — asked)			
†155	145	8	5.5	Cent. Can. L'n.		(125 bid 145 asked)			
80	80	4	5	Chart. Trust		(— bid 80 asked)			
3½	3½			Ch. Gai Wines		(3½ bid 3¾ asked)			
.12½	.10			Chem. Research	1400	.12	.10½	.10	.10½
†.40	.25			City Gas & El.		(.25 bid — asked)			
.05	.05			Claude Neon	100	.05	.05	.05	.05
1.42	1.30	12c		Coast Brew	300	1.40	1.40	1.30	1.30
6	5	50c		Cockshutt Plow	540	6	6	5½	6
2	2	15c		Comm. Alcohol	50	2	2	2	2
6	5¾	40c	6.7	Do. pref.		(6 bid 6¾ asked)			
†4½	3	25c		Conduits Nat.		(3¾ bid 4½ asked)			
10½	10	60c	5.8	Cons. Bakeries		(10 bid 12 asked)			
.01	.01			Cons. Div. Sec.		(.01 bid — asked)			
7½	7½	75c		Do. pref.		(7½ bid — asked)			
3¾	3			Cons. Paper	634	3	3	3	3
3	2¾			Cons. Press		(— bid 4 asked)			
†81½	78½	‡3.50		Cons. Sand, pf.		(75 bid 82 asked)			
39	38	1+1.50	6.5	Cons. Smelt.	1393	39	39	38½	38½
132	126	8	6.2	Consumers' Gas	84	130	130	130	130
†70	30	5.25+3.50▲	6½	Corr. P. Box, p		(50 bid 65 asked)			
21½	20½	1.20+15c	8.7	Cosmos Imp.		(19¾ bid 20 asked)			
23½	23	2		Crown Cork		(22 bid 24½ asked)			
†1½	1½			Crown Dom. Oil		(1½ bid — asked)			
33	31	3	9.4	Crow's N. Coal		(30½ bid 32 asked)			
.70	.50			Cub Aircraft	100	.70	.50	.50	.50

D, E

Range 1942 High	Low	Div. R'te $	Jan31 Y'ld %	Company	Sales	Last Jan. 26	Week end. Feb. 2 H	L	Cl'se
10½	10	1		David & Fre. A.		(10 bid — asked)			
†1.60	1.00			Do. (B)		(— bid 2 asked)			
†8½	7			de Havilland		(7 bid 8 asked)			
80	75			Do. pref.		(75 bid 80 asked)			
1.15	1.00			Disher Steel	55	1.00	1.15	1.15	1.15
10	10	1.50		Do. pref.	20	10	10	10	10
26½	22	2.22	9.7	Distill-Seagram	565	22½	23	22½	22½
97½	92	5	5.1	Do. pref.	135	97½	97½	96½	97½
†30	30	2.50	8.3	Dom. Ang. Inv.		(30 bid — asked)			
†75	70	5	6.7	Do. pref.		(75 bid 84 asked)			
191	188	10	5.3	Dom. Bank	7	188	188	188	188
23¾	22½	1.20	5.1	Dom. Bridge	186	23	23½	23	23½
15½	15			Dom. Coal, pf.	205	15	15½	15	15½
25	25			Dom. Engineer		(20 bid 26 asked)			
19	17¾	1+25c	6.9	Dom. Foundries	140	18	18	17¾	17¾
106½	105	6	5.7	Do. pref.	3	106½	105	105	105
110	110	5	4.5	Dom. Glass		(110 bid — asked)			
151	150	7	4.7	Do. pref.	51	150	150	150	150
25	25	1.20+40c	6	Dom. Oilcloth		(25 bid 26½ asked)			
†.70	.40			Dom. Scot. Inv.		(.50 bid .75 asked)			
24½	24½	‡2.25		Do. pref.		(24½ bid 25 asked)			
1½	1½			Dom. Square		(1½ bid — asked)			
7	5½			Dom. St. & C.B.	1088	6½	6½	6¾	6½
4½	4			Dom. Stores	50	4½	4½	4½	4½
4½	4			Dom. Tar & Ch.	10	4½	4½	4½	4½
87¾	85½	5.50	6.4	Do. pref.	35	85¾	85¾	85½	85¾
82½	82	5	6.1	Dom. Textile	5	82	82	82	82
154	152	7	4.6	Do. pref.		(152 bid — asked)			
1.25	.75			Dom. Woollens		(.75 bid 1.50 asked)			
7½	7	60c	8.3	Do. pref.	275	7½	7½	7½	7½
4	3¾			Donnacona P.A.	69	3¾	4	3¾	3¾
6	5½			Dryden Paper	45	6	5½	5½	5½
†.50	.50			East Koot. Pr.		(— bid — asked)			
7	7			Do. pref.		(6 bid — asked)			
.50	.50			East Dairies	150	.50	.50	.50	.50
8½	7			Do. pref.	70	7	8½	8½	8½
12	10	1	10	East Steel		(10 bid 11¾ asked)			
4½	4			East Theat.		(6 bid — asked)			
3	3			Easy Washing		(3 bid — asked)			
25	25	2		Economic Inv.		(— bid 25 asked)			
4½	3½	80c		Electrolux		(— bid 3¾ asked)			
3½	3½			Enam. & Heat.		(— bid 4 asked)			
29½	27	2.50	8.6	English Electric		(25 bid 29 asked)			
3	1½			Do. (B)		(2 bid 4 asked)			
4½	4½	15c		Equitable Life	27	5	4½	4½	4½

F, G

Range 1942 High	Low	Div. R'te $	Jan31 Y'ld %	Company	Sales	Last Jan. 26	Week end. Feb. 2 H	L	Cl'se
2.00	1.75			Fairchild Air	225	2.00	1.80	1.75	1.75
19½	17	1	5.1	Fam. Players	1400	17	19½	19½	19½
22½	16½	1.50+25c	9	Fanny Farmer	831	16½	18	16½	18
3¾	3½			Fleet Aircraft	60	3¾	3½	3½	3½
.20	.20			Fleury Bissell		(.20 bid .50 asked)			
†15	10			Do. pref.		(9 bid 12 asked)			
16½	15	1	6	Ford Motor A.	1291	16½	16½	16½	16¾
15¾	15¾	1	6.3	Do. (B)		(16 bid — asked)			
†.15	.15			For. Pr. Secs.		(— bid .23 asked)			
16½	15	1+25c	8	Foundation Co.	70	15½	15½	15	15
13	9½			Fraser Cos.	40	10	12	10½	12
12¾	11½			Do. Vot. Tr.	10	12½	12½	12½	12½
†.50	.50			Froman		(.50 bid — asked)			
†55	41	4.50		Do. pref.		(50 bid — asked)			
6	5	70c		Gatineau Pwr.	15	6	5½	5½	5½
73½	71	5	6.9	Do. pref.	64	74	73½	71	71
80	73½	5.50	6.9	Do. 5½% pref.	1	76	79	79	79
†1.25	.15			Do. Rights		(— bid .25 asked)			
6½	5	50c		Gen. St. Wares	165	6	6½	5½	5¾
92	89	7+27c■	8	Do. pref.	20	91	91	90	91
60	45	2.50+1.50	8	Goodyear Tire	155	52	49	45	48
49½	47	2.50	5.2	Do. pref.	72	48	48½	47	47
†67	67	‡7		Gould Pumps		(— bid — asked)			
†4	2½			Gt. Lakes Pap.		(1½ bid 3½ asked)			
†16	16	1.50		Do. pref.		(— bid 17 asked)			
2½	1¾			Do. Vot. tr. c.	58	2½	2½	1½	2½
16	15	1.50		Do. Vot. tr. p.	189	16	16	15	16
4½	4½			Gt. W. Saddlery	15	3½	4¼	4½	4½
28	28	‡5.25		Do. pref.	5	31	28	28	28
11	11	60c	5.4	Greening Wire		(10½ bid 11 asked)			
†1.25	1.25	10c		Growers' Wine		(— bid — asked)			
2½	2½			Gurd, Chas.		(2 bid 3 asked)			
§107½	106½			Do. pref.		(— bid 90 asked)			
3½	3			Gypsum, Lime.	270	3½	3½	3	3½

H, I

Range 1942 High	Low	Div. R'te $	Jan31 Y'ld %	Company	Sales	Last Jan. 26	Week end. Feb. 2 H	L	Cl'se
†17	16½	1		Halifax Fire		(— bid — asked)			
3¾	3½			Ham. Bridge	170	3½	3½	3½	3½
35	35	2+2▲	5.7	Ham. Cot., pf.		(35½ bid 36 asked)			
1.50	1.50			Ham. U. Theat.		(.50 bid 1.25 asked)			
75	75	5	6.7	Do. pref.		(50 bid 85 asked)			
3½	3	20+10c		Harding Carpet	130	3	3½	3½	3½
.25	.25			Hillcrest Coll.	20	.25	.25	.25	.25
†4	2			Do. pref.		(2½ bid — asked)			
12	11½	‡62½c		Hinde & Dauch		(10½ bid — asked)			
•20	20			Holt Renfrew		(— bid — asked)			
†35	35			Do. pref.		(40 bid — asked)			
18	16	2	11.1	Honey Dew	13	16	18	18	18
14	12			H. Smith Pap.	125	13	12	12	12
100	99	6	6	Do. pref.	10	99	99	99	99
9¾	9¾			Humberstone S.		(— bid 9 asked)			
8½	6½			Hunts (A)		(— bid 7½ asked)			
8½	7			Do. (B)		(— bid 8½ asked)			
55	53½	4	7.3	Huron & E. Mt.		(54 bid 55 asked)			
8	7½	80c		Do. 20% pd.	23	8	8	8	8
1.00	1.00			Hydro Electric		(.30 bid 1.00 asked)			
204	200	10	5	Imperial Bank	13	204	204	200	200½
†275	275	15	5.4	Imperial Life		(— bid 275 asked)			
9½	8½	50c	5.7	Imperial Oil	2945	8¾	8¾	8½	8¾
12½	11¾	40+22½c	5	Imperial Tob.	1678	12	12	11¾	11¾
7½	7	6%	4	Do. pref.		(6¾ bid 7½ asked)			
9¾	9½	1	10.2	Indust. Accept.	200	9¾	9¾	9¾	9¾
22½	22½	3		Inter-City Bak.		(23 bid 33 asked)			
†50	39	‡5+1		Inter'c Coal		(— bid — asked)			
§120	120	8		Do. pref.		(— bid — asked)			
12½	12	1.50	12.5	Inter. Bronze		(11½ bid 12½ asked)			
22½	22	1.50	6.8	Do. pref.		(21½ bid 22½ asked)			
†.30	.25	3c		Int. Coal & C.		(.25 bid .40 asked)			
7½	7½			Int. Metal Ind.	20	7½	7½	7½	7½
99	95	6+6▲	6.1	Do. pref.		(95 bid 100 asked)			
†100	93	6+6▲	6.3	Do. pref. A.		(90 bid 96½ asked)			
115	111	5	4.5	Int. Mill., pf.		(111½ bid 115 asked)			
36½	34	2	5.7	Int. Nickel	1764	34½	34¾	34½	34¾
157¾	157½	7	4.4	Do. pref.	7	..	157¾	157½	157½
1.05	1.05			Int. Paints		(1.00 bid 2.50 asked)			
13	13	1+25c▲	7.7	Do. pref.		(12½ bid 20 asked)			
..	..			Int. Pap. & P.		(— bid 19½ asked)			
		5		Do. pref.		(— bid 66 asked)			
13¾	12	1	8	Int. Pete.	2214	12¾	12¾	12½	12½
2½	2½			Int. Power		(2½ bid — asked)			
90	85	7+1.25▲	8	Do. pref.	25	87½	86	85	85
•11¾	10½			Int. St. Rlty. A.		(— bid 10 asked)			
•4	3¾			Do. (B)		(— bid 4 asked)			
3	3			Int. Util. (A)	86	3	3	3	3
.10	.08			Do. (B)	100	.08	.10	.10	.10

J, K, L

Range 1942 High	Low	Div. R'te $	Jan31 Y'ld %	Company	Sales	Last Jan. 26	Week end. Feb. 2 H	L	Cl'se
†13	13	68c	5.2	Jam. Pub. Ser.		(— bid 13 asked)			
115	115	7	6.1	Do. pref.		(— bid 115 asked)			
8½	8			Kelvinator		(8½ bid 8¾ asked)			
10	9			L. St. John Pr.		(8 bid 10 asked)			
†1.25	.40			Lake Sulphite		(— bid .60 asked)			
17½	16½	1	5.7	Lake of Woods		(17½ bid — asked)			
†125½	110	7	6.1	Do. pref.		(115 bid — asked)			
48	47½	4	8.3	Landed Bank		(47½ bid 54 asked)			
†12	8½	70+12½c		Lang, J. A.		(10½ bid 15½ asked)			
•3½	2½			Langley's		(— bid 1 asked)			
21	20	2		Do. pref.		(21 bid 25 asked)			
10¾	8¾	80c	8.9	Laura Secord	610	9	9½	8¾	8¾
9½	9			Legare, pref.	10	9½	9	9	9
3½	2½	30c		Levy Bros.		(2 bid 3½ asked)			
6	5			Lindsay, C. W.		(5½ bid — asked)			
†55	50			Do. pref.		(50 bid — asked)			
25½	24	1+25c	5.2	Loblaw (A)	725	24¾	24½	24	24
23¾	21¾	1+25c	5.7	Do. (B)	365	22½	22¾	21¾	21¾

M

Range 1942 High	Low	Div. R'te $	Jan31 Y'ld %	Company	Sales	Last Jan. 26	Week end. Feb. 2 H	L	Cl'se
1.00	1.00			Mackenzie Air		(— bid — asked)			
2	2			Mackin. Steel		(— bid — asked)			
65	60	5	8.3	Do. pref.		(55 bid 75 asked)			
15½	15½			Maclaren Pr.	430	15½	15½	15½	15½
7	6			M. L. Gardens	5	7	6	6	6
5½	5½	40c	7.3	Do. pref.	5	6½	5½	5½	5½
3	2½			Maple Leaf M.	390	3	2½	2½	2½
4½	4			Do. pref.	100	4	4½	4½	4¾
†16½	15	75+10c	5	Maritime Tele.		(16½ bid — asked)			
†16¾	16	70c	4.2	Do. pref.		(17 bid — asked)			
†18	14¾			Marcus Loew's.		(17½ bid — asked)			
•100	100	7+7▲		Do. pref.		(93 bid — asked)			
2.12	1.50			Massey-Harris	280	1.50	1.80	1.75	1.80
56½	50¾			Do. pref.	95	54	54	53	53
3½	2¾			Do. com., new	260	3½	3	2¾	3
12½	11¾			Do. pf., new	335	11¾	11¾	11¾	11¾
4½	3½			McColl Fron.	531	4	4	3¾	4
95	88	6	6.3	Do. pref.	25	91½	95	91½	94
1.00	1.00			Melchers		(1.00 bid 1.25 asked)			
6	6	60c	10	Do. pref.	40	6	6	6	6
2¾	2½			Mercury Mills	15	2¾	2½	2½	2½
†50	45	2.50		Mitchell, J. S.		(— bid 50 asked)			
12	11½	1.50	12.7	Mitchell, Robt.	640	12	12	11½	12
†17½	15	80+40c	8	Mod. Contain.		(— bid 15½ asked)			
†98	97½	5.50	5.6	Do. pref.		(— bid 100 asked)			
†2	1½			Monarch Knit.		(— bid — asked)			
62	62	7		Do. pref.		(50 bid 65 asked)			
65	5	4	6.7	Montreal Cot.		(61 bid — asked)			
115	111½	7	6.1	Do. pref.	19	111½	115	115	115
1.00	.25			Mont. Is. Pr.		(.25 bid 2.00 asked)			
24	22	1.50	6.6	Mont. L. & Pr.	2144	22¾	23	22	22½
50½	50			Do. Notes	456	50	50	50	50
15	13	1.25	9.4	Montreal Loan.		(13 bid — asked)			
.70	.70			Mtl. Refrig & S		(75 bid — asked)			
12½	11½	1.25		Do. pref.	10	11½	12½	12½	12½
24½	23½	•1.96		Montreal Tele.	9	24½	23½	23½	23½
17½	16			Montreal Trams	20	17	16½	16½	16½
45	43	2.22+66½	6½	Moore Corp.	220	44	45	44	44¾
178	174	7	3.9	Do. pref. (A)	20	174	178	176	176
264	260	7	2.6	Do. pref. (B)	6	260	264	264	264
†.10	.05			Muirheads		(.10 bid .20 asked)			
§1	—1			Do. pref.		(— bid — asked)			

N, O

Range 1942 High	Low	Div. R'te $	Jan31 Y'ld %	Company	Sales	Last Jan. 26	Week end. Feb. 2 H	L	Cl'se
26	24½	2	7.9	Nat. Breweries	591	25¾	25¾	24½	24½
39½	39	1.75	4.5	Do. pref.	35	39½	39	39	39
†5½	3¾			Nat. Grocers		(4½ bid 5 asked)			
26	25½	1.50	5.8	Do. pref.	95	26½	26	25½	25½
9	8½			N. Sew. Pipe A.	25	8¾	9	9	9
34½	32½	2	6.1	Nat. Steel Car.	150	33	33½	33	33
135½	135½	8	5.9	National Tr.		(136 bid 140 asked)			
§9½	9½	60c		Neon Prod.		(— bid — asked)			
18	17	2	11.1	Niag. W. Weav.		(17½ bid 18¾ asked)			
†3¾	2			Noorduyn Av.		(2½ bid 3 asked)			
.25	.25			North Star Oil.	4	..	.25	.25	.25
3	2¾	35c	11.6	Do. pref.	10	3	3	3	3
†88	86	6	6.8	N. S. L. & Pr.		(87 bid — asked)			
108¾	108¾	6	5.5	Do. pref.		(108¾ bid — asked)			
22	21	1	4.8	Ogilvie Flour	210	21½	21½	21	21
155	152	7	4.6	Do. pref.	25	155	152	152	152
108	108	5	4.6	Ontario Loan		(110 bid 113¾ asked)			
†3	3			Ont. Silknit		(— bid 2 asked)			
†45	35	‡3		Do. pref.		(— bid 45 asked)			
10	10	1		Do. Scripts	70	10	10	10	10
†11	8½	1		Ont. Steel		(— bid 11 asked)			
†110	110	7	6.4	Do. pref.		(110 bid 120 asked)			
†2	1			Orange Crush		(— bid .95 asked)			
3	2½			Do. pref.	50	3	2½	2½	2½
†8½	5	40c	6.7	Ott. Car Air		(5 bid — asked)			
†16	12	1.20+50c	12	Ottawa El. Rly.		(14½ bid 16 asked)			
5	4	60c		Ott. L. H. & Pr.	305	4½	5	4½	5
80	80	5	6.2	Do. pref.	15	84	80	80	80

P, Q, R

Range 1942 High	Low	Div. R'te $	Jan31 Y'ld %	Company	Sales	Last Jan. 26	Week end. Feb. 2 H	L	Cl'se
†35	33	3c		Pacific Coyle		(— bid — asked)			
103	99½	5	4.9	Page Hersey	150	100	101	99½	99½
†4¾	4¾			Pantepec Oil		(4 bid 6½ asked)			
†30½	25	2	6.6	Paton Mfg.		(30½ bid 33 asked)			
†115	115	7	6.1	Do. pref.		(112½ bid — asked)			
48	47¾	3	6.2	Penmans		(— bid 48 asked)			
†124	120	6	4.9	Do. pref.		(121 bid — asked)			
14½	13	1	6.9	Photo Eng.	10	13	14½	14½	14½
96	96	7	7.3	Porto Rico Pr p	4	96	96	96	96
4½	3	30c		Power Corp.	265	3½	3½	3½	3½
82	78	6	7.7	Do. pref.		(— bid 78 asked)			
33	32	3	9.1	Do. 2nd pref.	8	32½	33	33	33
4¾	3¾			Pressed Metals	5	4¾	4¾	4¾	4¾
11	8			Price Bros.	3	10½	8	8	8
70	69	5.50	8	Do. pref.	40	70	69	69	69
6	6	40c	6.7	Prov. Transport	10	6	6	6	6
13	11¾	1	8.5	Quebec Power	135	12	12	11¾	11¾
4	4			Que. Telephone		(4 bid — asked)			
†30	24	2	6.7	Real Estate L'n		(— bid — asked)			
3½	3½			Regent Knit	105	3½	3½	3½	3½
17	17	1.60	9.4	Do. pref.	5	17¾	17	17	17
3	3			Reliance Grain		(3 bid 3½ asked)			
†67	60	6.50	9.7	Do. pref.		(65 bid 72 asked)			
22	22	2	9	River S. Mill	30	22	22	22	22
8	7	60c	8.5	Rolland Pap.	10	8	7	7	7
94	94	6	6.4	Do. pref.		(91 bid 93 asked)			
155	151	8	5.2	Royal Bank	307	154	154	152	153
†18	14	80c	4.8	Russell Indust.		(15¾ bid 16½ asked)			
150	150	7	4.7	Do. pref.	3	169¾	150	150	150

S

Range 1942 High	Low	Div. R'te $	Jan31 Y'ld %	Company	Sales	Last Jan. 26	Week end. Feb. 2 H	L	Cl'se
106	105	5.50	5.2	Saguenay Pr. p.	5	105	105	105	105
†34½	34½	1		Sangamo		(20 bid 33½ asked)			
6½	6½			Sarnia Br.		(6 bid 8 asked)			
†1	1			Do. (B)		(1 bid 3 asked)			
..	..	1+50c		Scythes & Co.		(15 bid 19¾ asked)			
		1.75		Do. pref.		(25 bid — asked)			
14	13½	90c	6.7	Shawinigan Pr.	934	13½	13¾	13½	13½
13½	13½	15c		Sher. Wms.	75	13½	13½	13½	13½
115	115	7	6.1	Do. pref.	5	115	115	115	115
8	6½	40c	5.7	Silverwoods	80	6½	7	7	7
6	6	40c	6.7	Do. pref.		(6½ bid 7 asked)			
7½	7	60c	8	Simon & Sons	10	7	7½	7½	7½
†106	103	7	6.8	Do. pref.		(— bid 105 asked)			
7½	7½			Simpson, A.		(4 bid 7½ asked)			
2	2			Do. (B)	2	2	2	2	2
89	75	6.50	8.7	Do. pref.	95	83	78	75	76
†135	132	6	4.4	Simpson, R., pf.		(132 bid 140 asked)			
9¼	9¼	80c	8.6	So. Can. Pr.	5	9¼	9¼	9¼	9¼
100½	99½	6	6	Do. pref.	21	100	100½	100	100½
2.00	1.50			St. Law. Corp.	200	1.63	1.60	1.50	1.60
15½	14	1+1▲	6.9	Do. (A)	65	14½	14½	14½	14½
22	22	1.40	6.4	St. Law. Flour.	30	20½	22	22	22
115	115	7	6.1	Do. pref.		(115 bid — asked)			
43	36	3+1.50▲	7	St. Law. Pap. p	83	41	41	36	40
11	9	‡1.25		Stand. Chem.	15	9½	11	9	11
‡5	1			Stand. Clay		(1 bid 3 asked)			
.50	.45			St. Pav. & Mat.	20	.45	.45	.45	.45
4½	4½	‡62½c		Do. pref.	40	4	4½	4½	4½
3½	3	20c	5.3	Stand. Radio	100	3½	3½	3½	3½
20	17	60+60c	7	Stedman Bros.	85	20½	20	17	17½
63½	61	3	4.8	Steel of Can.	565	63	63	62	62
70½	68½	3	4.8	Do. pref.	105	70	70	68½	68½
†3½	2			Sterling Coal		(— bid 5 asked)			
†.15	.15			Stop & Shop		(— bid .20 asked)			
13½	13½	80+50c■	6	Stuart, D.A. pf		(— bid 13½ asked)			
†3¾	2¾			Supersilk H. A.		(— bid 2½ asked)			
3	2½			Do. (B)		(— bid 3 asked)			
70	70	5	7.2	Do. pref.		(— bid 73 asked)			
19	19	1+25c	6.6	Sup. Pete. ord.		(19 bid 21½ asked)			
†27	19½	1+25c	6.4	Do. com.		(18¾ bid 25 asked)			

T, U, V

Range 1942 High	Low	Div. R'te $	Jan31 Y'ld %	Company	Sales	Last Jan. 26	Week end. Feb. 2 H	L	Cl'se
11½	10½	80c	7	Tamblyn	165	11½	11½	11	11½
52½	52½	2.50	4.8	Do. pref.	10	52½	52½	52½	52½
§3	3			Thayers		(1½ bid 3 asked)			
§36	20	3.50		Do. pref.		(20 bid 35 asked)			
1	1			Thrift Stores	45	2	1	1	1
10	10			Do. pref.		(11 bid 13 asked)			
8½	8	60c	7.5	Tip Top Tailors	21	8¼	8	8	8
106	105	7	6.7	Do. pref.		(100 bid 104½ asked)			
†1.50	1.00			Tooke Bros.		(1.00 bid — asked)			
†13	11			Do. pref.		(10 bid 15 asked)			
†21½	19	1	5	Tor. Elevators		(20 bid 24 asked)			
49½	49½	2.62½	5.3	Do. pref.		(48¾ bid 50 asked)			
70	70	4	5.7	Tor. Gen. Tr.	3	70	70	70	70
73½	68	5	7.3	Toronto Mtge.	33	68	68½	68	68½
150	147½	7	4.7	Tuckett Tob. p.		(147 bid 150 asked)			
2.50	1.00			Twin City	315	2.50	2.50	2.37	2.50
28½	28½			Do. pref.		(— bid — asked)			
10¾	8½	80+20c	10	Union Gas	3905	10½	10½	10	10
†13½	12	80c	6.2	Un. Amuse. A.		(12 bid — asked)			
†13½	13	80c	5.9	Do. (B)		(12 bid — asked)			
1.20	.75	10c		United Distill	200	.95	.95	.95	.95
36	35	3	8.3	United Fuel, pf.	50	36	36	35	35
3½	3½			Do. B. pref.	50	3¾	3¾	3½	3¾
2½	1			United Secs.		(— bid — asked)			
4	3¾			United Steel	200	3½	3½	3½	3½
3	3			Viau Bisc.		(3 bid — asked)			
52	50	5	10	Do. pref.		(48¾ bid — asked)			

W, Y, Z

Range 1942 High	Low	Div. R'te $	Jan31 Y'ld %	Company	Sales	Last Jan. 26	Week end. Feb. 2 H	L	Cl'se
40	39½	2+50c	6.2	Wabasso Cot.		(39 bid 40 asked)			
50½	43½	4	8.9	Walker-Good.	745	44½	45	43½	44
21	20	1	4.9	Do. pref.	1055	20¾	20½	20	20
1.05	1.00	5c		Walkerville Br.	685	1.00	1.05	1.00	1.05
§135	120	7		W. Koot. Pr. pf		(135 bid — asked)			
†2.00	.75			West. C. Flour.		(1.00 bid 1.40 asked)			
22	20			Do. pref.		(19 bid 22 asked)			
.50	.50			West Grocers		(50 bid 75 asked)			
†115	107	7	6.2	Do. pref.		(110 bid — asked)			
§15½	11¾	50c		W'minster Pap.		(— bid — asked)			
11½	10½	80c	7.6	Weston Ltd.	50	10½	10½	10½	10½
94½	94	5	5.3	Do. pref.	10	94	94½	94½	94½
16½	16½	1	6.2	Wilsils	20	16½	16½	16½	16½
1.15	.65			Winnipeg El. A.	241	1.10	1.10	.90	.90
1.25	1.00			Do. (B)		(— bid 1.15 asked)			
7¾	7½			Do. pref.		(7½ bid — asked)			
80	78	7	8.7	Wood A. & J. p		(74 bid 84½ asked)			
60	55			Woods Mfg. pf.		(55 bid 60 asked)			
†5½	4	40c		York Knitting		(4½ bid 5½ asked)			
•100	100	7	7	Do. 1st pref.		(— bid — asked)			
11½	11	80c	7.1	Zellers		(11 bid 12 asked)			
25	24¾	1.50	6.1	Do. pref.		(24 bid 25 asked)			

Quotations: †1941. § 1940. • 1939. * 1938.
▲ On account of arrears. ‡ Paid in 1941.
■ Participating.
° Paid in 1941 after corporate income tax.

Mining Stocks

Week Ending February 2

A

Par Val.	Range 1942 High	Low	Company	Sales	Close Jan. 26 (or last)	High for week	Low for week	Close Feb. 2
No	.16½	.12	Aldermac	2,950	.14½	.14½	.12	.13½
1	.00½	.00½	Amm. Gold	2,000	.00½	.00½	.00½	.00½
No	2.55	2.30	Anglo-Huronian		(2.20 bid 2.65 asked)			
No	•.40	.30	Argus Interests		(.35 bid .50 asked)			
No	†.03	.01	Arno		(.... bid .01½ asked)			
1	.10	.07	Arntfield	4,050	.08	.10	.07½	.07½
1	.04½	.04	Ashley		(.03½ bid .04½ asked)			
1	•.05	.02	Astoria Quebec		(.01½ bid .02 asked)			
1	1.47	1.28	Aunor Gold	700	1.36	1.33	1.28	1.28

B

Par Val.	Range 1942 High	Low	Company	Sales	Close Jan. 26 (or last)	High for week	Low for week	Close Feb. 2
1	.06	.05	Bagamac		(.05½ bid .08 asked)			
1	.05½	.04½	Bankfield	13,083	.05	.05½	.05	.05
No	.09¾	.07½	Base Metals	3,500	.08	.08½	.08	.08
1	.06½	.04	Bear Exploration	7,000	.05½	.06	.05½	.05½
1	.94	.85	Beattie Gold	3,000	.90	.91	.88	.88
1	•.09	.03½	Beaufor		(.03 bid .05 asked)			
1	•1.00	.90	Berens River		(.60 bid 1.00 asked)			
1	.10	.08½	Bidgood Kirk.	7,207	.09	.08½	.08½	.08½
1	.08½	.06½	Bobjo	18,200	.07½	.08½	.07½	.08½
1	.32½	.23	Bonetal Gold	3,000	.28	.25	.23	.23½
1	.02	.01½	Bouscadillac G.M.		(.01½ bid .02½ asked)			
No	9.30	8.50	Bralorne	985	9.00	9.00	8.30	8.30
1	•.03	.02½	Brazil Gold		(.... bid .02½ asked)			
1	•.01½	.00½	Brett Trethewey		(.00½ bid .00½ asked)			
1	.61	.53	Broulan Porc.	13,825	.56	.56	.53	.54
1	2.80	2.40	Buffalo Ankerite	1,160	2.50	2.55	2.40	2.50
No	.02½	.02½	Buffalo Can.		(.01½ bid .... asked)			
5	12.50	7.50	Bulolo Gold	285	8.00	9.00	7.50	7.63
No	•.03	.01	Bunker Hill		(.01½ bid .02 asked)			

C

Par Val.	Range 1942 High	Low	Company	Sales	Close Jan. 26 (or last)	High for week	Low for week	Close Feb. 2
1	•.11	.05	Camp Bird		(.... bid .... asked)			
No	.49	.40	Can. Malartic	831	.44	.45	.40	.45
1	1.72	1.55	Cariboo Gold	700	1.70	1.63	1.55	1.55
1	.00¾	.00½	Cartier Malartic		(.00½ bid .... asked)			
1	.55	.45	Castle Trethewey	500	.50	.50	.50	.50
1	.05	.05	Cen. Cadillac	9,100	.05	.05	.05	.05
1	1.30	1.05	Cen. Patricia	6,390	1.15	1.17	1.05	1.05
1	.10½	.08½	Cen. Porcupine	5,500	.09½	.09½	.09½	.09½
1	•.18½	.15	Century Mining		(.... bid .13½ asked)			
1	1.50	1.20	Chesterville	4,350	1.31	1.33	1.20	1.20
No	2.20	1.55	Chromium	160	1.80	1.95	1.55	1.55
5	1.10	.95	Coast Copper	300	1.00	1.00	1.00	1.00
1	.59½	.51	Cochenour Willans	2,400	.56	.59½	.51	.54
5	•1.55	1.00	Coniagas		(1.15 bid 1.40 asked)			
No	.94	.85	Coniaurum	237	.85	.93	.88	.93
5	39.00	38.00	Cons. Smelters	1,393	39.00	39.00	38.25	38.50

D, E

Par Val.	Range 1942 High	Low	Company	Sales	Close Jan. 26 (or last)	High for week	Low for week	Close Feb. 2
1	.65	.50	Delnite	50	.60	.65	.65	.65
1	.04½	.03½	Denison Nickel	26,000	.04	.04½	.04	.04
No	17.25	15.75	Dome Mines	1,537	16.63	17.25	16.63	17.25
1	.10	.07	Duquesne	16,600	.07½	.08½	.07	.08
1	2.22	1.99	East Malartic	5,775	2.15	2.15	1.99	1.99
1	.49	.36	Eldorado	5,250	.40	.45	.40	.40

F, G

Par Val.	Range 1942 High	Low	Company	Sales	Close Jan. 26 (or last)	High for week	Low for week	Close Feb. 2
No	3.60	3.10	Falconbridge	525	3.50	3.50	3.25	3.25
1	.02½	.01½	Federal	1,000	.01½	.02½	.02½	.02½
1	.02	.01½	Fernland	6,500	.02	.02	.01½	.01½
No	.42½	.32	Francoeur Gold	3,600	.35	.37	.32	.32
1	.03½	.03	Gillies Lake		(.03 bid .04½ asked)			
1	.01	.01	Glenora	1,000	.01	.01	.01	.01
No	.20	.12½	God's Lake	7,300	.14½	.15	.12½	.14½
1	.09½	.09	Goldale	100	.09½	.09	.09	.09
50c.	.13	.13	Gold Belt		(.12 bid .... asked)			
1	.05	.04½	Gold Eagle		(.05 bid .05½ asked)			
1	.04½	.02½	Golden Gate	6,500	.03	.03	.02¾	.03
1	•.02	.00½	Goodfish		(.00¾ bid .01½ asked)			
1	•.02½	.01½	Graham Bosquet		(.02 bid .02½ asked)			
No	.04½	.03½	Grandora		(.04 bid .05½ asked)			
1	.01½	.01½	Grull Wihksne	500	.01½	.01½	.01½	.01½
1	.14	.10	Gunnar Gold	1,700	.11½	.10½	.10	.10½

H, I, J

Par Val.	Range 1942 High	Low	Company	Sales	Close Jan. 26 (or last)	High for week	Low for week	Close Feb. 2
1	.03	.02½	Halcrow Swayze	1,500	.03	.02½	.02½	.02½
1	•.01½	.00½	Halliwell Gold		(.00½ bid .01 asked)			
1	3.00	2.50	Hallnor Mines		(2.40 bid 2.75 asked)			
1	.55	.48	Hard Rock	1,850	.49	.49	.48	.48
1	.02½	.02½	Harker	6,500	.02½	.02½	.02½	.02½
1	•.58	.43	Hedley Mascot		(.... bid .45 asked)			
5	10.50	9.50	Hollinger	4,242	9.70	9.80	9.50	9.55
1	.20	.16	Howey Gold	1,600	.19	.20	.19	.20
No	28.12	26.25	Hudson Bay	625	26.75	27.50	27.00	27.00
1	.30	.27	Inspiration		(.27 bid .31 asked)			
No	36.25	34.00	Int. Nickel	1,764	34.12	34.75	34.25	34.75
50c.	•1.30	.85	Island Mountain		(.... bid 1.35 asked)			
1	.01	.01	Jacola	1,000	.01½	.01	.01	.01
1	.20	.15	Jack Waite		(.15½ bid .20 asked)			
1	.29½	.25	Jason Mines	2,800	.29	.28	.27	.27
1	.02½	.02	Jellicoe	500	.02	.02½	.02½	.02½
1	•.01½	.00½	J. M. Cons. Gold		(.... bid .01 asked)			
1	.03½	.02½	Joliet Quebec	7,500	.03	.03	.02½	.03

K, L

Par Val.	Range 1942 High	Low	Company	Sales	Close Jan. 26 (or last)	High for week	Low for week	Close Feb. 2
1	4.35	3.75	Kerr Addison	13,560	3.95	3.95	3.75	3.75
1	.22	.22	Kerr Lake		(.... bid .... asked)			
1	.05	.01½	Kirk. Gold Rand.		(.02½ bid .06 asked)			
1	.26	.20	Kirk. Hud. Bay		(.25 bid .30 asked)			
1	.62	.55	Kirkland Lake	8,560	.60	.59	.56	.56
1	12.00	9.75	Lake Shore	1,132	11.00	11.00	9.75	9.75
No	4.15	3.75	Lamaque Gold	6,591	4.00	4.00	3.75	3.75
1	.09	.05½	Lapa Cadillac	600	.05½	.08	.06½	.06½
1	.01½	.01½	Lebel Oro		(.01 bid .01½ asked)			
1	.45	.40	Leitch Gold	6,050	.44	.45	.40	.40
No	1.35	1.27	Little Long Lac	1,600	1.35	1.35	1.30	1.30

M

Par Val.	Range 1942 High	Low	Company	Sales	Close Jan. 26 (or last)	High for week	Low for week	Close Feb. 2
1	2.85	2.50	Macassa	3,555	2.85	2.85	2.50	2.55
1	1.68	1.55	MacLeod Cockshutt	6,100	1.56	1.57	1.55	1.57
1	.51½	.39	Madsen Red Lake	8,260	.48	.45	.39	.39
1	2.22	1.76	Malartic Gold	27,250	2.06	2.00	1.76	1.83
No	.24½	.20	Mandy	1,000	.24½	.24½	.24½	.24½
No	.00½	.00½	Man. & Eastern		(.00¾ bid .00¾ asked)			
1	.01½	.01½	Maralgo		(.02 bid .02½ asked)			
5	45.50	40.00	McIntyre	302	41.12	41.00	40.00	40.00
1	1.04	.88	McKenzie R.L.	2,200	.93	.92	.88	.89
1	.02½	.01½	McLellan Gold	7,500	.01½	.02	.01½	.02
1	.04½	.04½	McVittie Graham	500	.04½	.04½	.04½	.04½
No	.10	.08½	McWatters	6,300	.09	.09	.08½	.08½
5	•.20	.15	Mentor Exploration		(.15 bid .42 asked)			
No	1.40	1.21	Mining Corp.	4,200	1.32	1.33	1.21	1.25
1	†.05	.05	Moffatt Hall		(.01 bid .... asked)			
1	.27	.25	Moneta	2,900	.27	.27	.26	.26
1	•.07	.02	Murphy		(.... bid .06½ asked)			

N, O

Par Val.	Range 1942 High	Low	Company	Sales	Close Jan. 26 (or last)	High for week	Low for week	Close Feb. 2
1	.21	.18	Naybob	40,200	.21	.20½	.18	.19
1	.50	.48	Negus Mines	1,000	.48	.48	.48	.48
1	.01½	.01	New Golden Rose	2,500	.01	.01½	.01	.01½
5	1.04	.99	Nipissing	800	1.00	1.04	.99	.99
No	52.00	47.50	Noranda	1,378	48.50	49.50	48.00	48.00
No	.25	.20	Nor. Canada	700	.20	.20	.20	.20
1	.03½	.03½	Norgold	2,000	.03½	.03½	.03½	.03½
No	.90	.82	Normetals	6,710	.88	.87	.85	.85½
1	•5.00	3.75	Northern Empire		(2.50 bid 4.00 asked)			
1	.91	.78	O'Brien	6,600	.85	.83	.78	.78
1	.06	.05½	Omega	2,700	.06	.06	.06	.06
1	.10	.08	Ontario Nickel	26,700	.09	.09½	.08	.08½
1	.06	.04	Osisko	5,000	.05	.04	.04	.04

P, Q, R

Par Val.	Range 1942 High	Low	Company	Sales	Close Jan. 26 (or last)	High for week	Low for week	Close Feb. 2
No	.90	.80	Pamour	1,000	.84	.82	.80	.80
1	.04	.03	Pandora		(.04½ bid .04½ asked)			
1	3.00	2.75	Pato Cons. G.		(2.60 bid 2.75 asked)			
1	.02	.01½	Partanen Mal.	13,500	.01½	.01½	.01½	.01½
1	.00½	.00½	Pawnee Kirk		(.00½ bid .01 asked)			
1	.17	.15½	Paymaster	3,600	.15½	.16	.15½	.16
1	1.75	1.53	Pend Oreille	500	1.65	1.61	1.53	1.53
1	1.35	1.25	Perron Gold	1,250	1.28	1.29	1.25	1.27
1	2.35	2.23	Pickle Crow	4,710	2.27	2.28	2.25	2.25
1	2.20	1.90	Pioneer Gold B.C.	2,050	1.93	1.91	1.90	1.90
1	•9.50	8.37	Placer Devel.		(4.50 bid 8.50 asked)			
1	.78	.60	Powell Rouyn	3,500	.65	.65	.60	.60
1	.60	.57	Premier Gold	1,300	.59	.58	.57	.57
1	3.15	2.85	Preston E. Dome	10,805	3.05	3.10	2.85	2.86
No	•.20	.15	Prospectors Air's		(.15 bid .... asked)			
No	•.30	.20	Quebec Gold		(.... bid .... asked)			
1	.39	.27½	Queenston Gold	350	.32	.35	.35	.35
No	.04½	.02	Quemont		(.04½ bid .... asked)			
No	•.04	.01	Red Crest		(.01 bid .03 asked)			
1	.45	.45	Reeves McDonald		(.40 bid .50 asked)			
1	.16	.12	Reno Gold	5,707	.15½	.16	.14	.16
1	.02½	.02½	Roche Long Lac	500	.02½	.02½	.02½	.02½

S, T, U, V, W, Y

Par Val.	Range 1942 High	Low	Company	Sales	Close Jan. 26 (or last)	High for week	Low for week	Close Feb. 2
1	2.05	1.70	San Antonio	4,796	1.85	1.85	1.70	1.75
1	.02½	.02½	Sand River	1,500	.02½	.02½	.02½	.02½
1	.18	.10	Senator Rouyn	8,200	.11½	.12	.10	.12
1	.01	.01	Shawkey		(.01½ bid .03 asked)			
50c.	.83	.75	Sheep Creek	100	.75	.83	.83	.83
1	.98	.83	Sherritt Gordon	5,740	.88	.88	.83	.87
1	6.00	5.75	Sigma Mines	50	5.75	5.75	5.75	5.75
1	.50	.45	Siscoe	14,450	.45	.49	.45	.47
1	.33	.25	Sladen Malartic	7,200	.29	.28	.25	.26
1	.06	.04	Slave Lake	45,900	.04½	.04½	.04	.04
1	.04	.02½	St. Anthony	3,000	.03	.03½	.03	.03
No	1.96	1.72	Steep Rock	3,325	1.85	1.83	1.75	1.76
No	.01½	.01	Straw Lake	7,500	.01	.01½	.01	.01½
1	.10½	.10½	Sturgeon River		(.10½ bid .12 asked)			
No	1.56	1.35	Sudbury Basin	900	1.40	1.53	1.40	1.53
1	•.05½	.01½	Sudbury Contact		(.02½ bid .03½ asked)			
1	.61	.55	Sullivan Cons.	2,150	.57	.59	.56	.56
1	1.98	1.75	Sylvanite	1,825	1.93	1.90	1.75	1.75
1	2.34	2.10	Teck Hughes	4,852	2.25	2.20	2.10	2.10
1	.03½	.03½	Temiskaming		(.... bid .05 asked)			
1	1.08	1.02	Toburn Gold	300	1.03	1.05	1.02	1.02
1	.13	.11	Towagmac	200	.13	.11	.11	.11
No	.50	.42	Trans. Resources	1,000	.45	.42	.42	.42
1	.05	.04	Uchi Gold	1,600	.04½	.05	.04½	.05
	40.00	38.00	Do., Bonds		(38.00 bid 45.00 asked)			
1	1.24	1.03	Upper Canada	5,250	1.12	1.12	1.03	1.03
No	3.70	3.25	Ventures	445	3.50	3.55	3.40	3.50
No	4.80	4.40	Waite Amulet	1,660	4.50	4.55	4.40	4.40
1	.13½	.12	Wendigo	1,000	.13½	.13½	.13½	.13½
1	.01½	.01½	Wiltsey Coughlan		(.01 bid .02½ asked)			
1	.04	.03½	Wood Cadillac		(.03½ bid .04½ asked)			
No	2.90	2.51	Wright-Hargreaves	2,040	2.65	2.65	2.51	2.51
No	.03½	.03½	Ymir Girl	2,500	.03½	.03½	.03½	.03½

Oil Stocks

Par Val.	Range 1942 High	Low	Company	Sales	Close Jan. 26 (or last)	High for week	Low for week	Close Feb. 2
No	.10	.06½	Acme Gas & Oil	1,000	.06½	.10	.06½	.06½
1	.07½	.07	Alta. Pac. Cons.	1,000	.07	.07	.07	.07
1	.12	.10½	Ajax		(.11½ bid .16 asked)			
No	.56	.40	Anglo Canadian	2,745	.50	.50	.40	.47
No	.26	.18½	Br. Dominion	67,329	.24½	.26	.24	.26
No	.05½	.05	Brown Oil	7,700	.05½	.05½	.05	.05½
No	1.20	1.12	Calgary & Ed.	220	1.14	1.14	1.12	1.12
1	.18	.15½	Calmont	2,100	.18	.16	.15½	.15½
No	.22	.20	Commoil		(.20 bid .... asked)			
No	.29	.27	Common Pete	500	.27	.29	.29	.29
No	.30	.20	Dalhousie	400	.25	.22	.21	.21
No	.17½	.15	Davies Pete	500	.16	.16	.15	.15
No	.04	.02½	East Crest	1,000	.03	.03½	.03½	.03½
No	•.30	.20	Federated Pete		(.... bid .25 asked)			
No	.85	.75	Foothills	2,325	.85	.85	.80	.80
No	†.08	.04	Hargal		(.... bid .10 asked)			
No	.20	.18	High Sarcee	7,500	.20	.20	.18	.19
No	2.70	2.50	Home	8,405	2.60	2.65	2.53	2.60
1	.04½	.02	Homestead O. & G.	10,000	.04	.04½	.03½	.04
No	.04	.03½	McD. Segur	1,000	.03½	.04	.04	.04
1	.19	.18	Model		(.15 bid .18 asked)			
25c	.04	.04	National Petroleum		(.04½ bid .05 asked)			
1	.04½	.03½	Nordon	500	.03½	.04½	.04½	.04½
No	.02½	.01½	Oil Selections	2,000	.02½	.02½	.02½	.02½
No	.40	.35	Okalta	1,900	.35	.40	.35	.40
No	.03½	.02½	Pacalta	10,000	.03½	.03½	.03½	.03½
1	•.27	.15	Pacific Petroleum		(.15 bid .35 asked)			
No	•.30	.25	Petrol Oil & Gas		(.30 bid .50 asked)			
No	19.75	18.50	Royalite	120	19.00	19.00	18.50	18.50
No	.17	.15½	South West Pete	200	.15	.17	.15½	.17
No	.04½	.02½	South End	7,500	.04½	.04½	.03½	.04
5	1.60	1.15	Texas Can.	1,200	1.25	1.30	1.30	1.30
No	.04	.03½	United Oils	1,100	.04	.04	.04	.04
1	.11	.05½	Vermilata	17,200	.09½	.11	.09	.09½
1	.22	.22	Vulcan		(.17 bid .25 asked)			

Vancouver Stocks

Par Val.	Range 1942 High	Low	Company	Sales	Close Jan. 26 (or last)	High for week	Low for week	Close Feb. 2
1	.05½	.04	Bayonne Cons.	2,000	.04	.04½	.04½	.04½
No	9.20	8.25	Bralorne	1,685	8.85	9.00	8.25	8.25
1	•.00½	.00½	Bridge River Cons.		(.... bid .... asked)			
1	1.74	1.52	Cariboo Gold	200	1.70	1.65	1.52	1.52
No	.00½	.00½	Dentonia		(.00½ bid .... asked)			
No	.00½	.00½	Fairview Amal.		(.00½ bid .01 asked)			
1	•.15	.10	George Copper		(.12½ bid .... asked)			
1	.06	.05½	Golconda		(.06½ bid .... asked)			
50c.	.16	.14	Gold Belt		(.14 bid .... asked)			
50c.	.18	.15	Grandview	500	.15	.16	.16	.16
1	.03½	.02½	Grull Wihksne	5,000	.03	.02½	.02½	.02½
1	.35	.32½	Hedley Mascot	2,000	.35	.33	.32½	.32½
No	.00½	.00½	Home Gold		(.... bid .00½ asked)			
1	•.01	.00½	Indian Mines		(.01 bid .... asked)			
50c.	1.06	1.02	Island Mountain	700	1.02	1.05	1.05	1.05
1	•.35	.27	Inter'l Coal		(.29 bid .... asked)			
50c.	.22	.15	Kootenay Belle	500	.16	.16	.16	.16
1	•.25	.20	McGillivray Creek		(.20 bid .... asked)			
No	.01	.01	Minto Mines	2,000	.01	.01	.01	.01
50c.	.01½	.01½	Nicola		(.... bid .02 asked)			
1	.09	.09	Pacific Nickel	500	.08	.09	.09	.09
1	1.75	1.60	Pend Oreille	100	1.62	1.60	1.60	1.60
1	2.15	1.85	Pioneer Gold	900	1.90	1.90	1.85	1.85
No	.01½	.01½	Premier Border	1,000	.01½	.01½	.01½	.01½
1	.60	.57	Premier Gold	3,300	.60	.59	.57	.57
No	.60	.38	Privateer Mines	2,300	.45	.40	.38	.37
1	.02	.01½	Quatsino Copper		(.01½ bid .03 asked)			
1	.50	.40	Reeves McDonald		(.43 bid .... asked)			
1	.16	.13	Reno Gold	3,100	.16	.16	.15	.16
50c.	.00½	.00½	Salmon Gold	5,000	.00½	.00½	.00½	.00½
50c.	.84	.80	Sheep Creek		(.76 bid .... asked)			
1	.71	.70	Silbak Premier	600	.71	.70	.70	.70
No	•.00½	.00½	Silvercrest		(.... bid .... asked)			
50c.	•.15	.07½	Surf Inlet		(.... bid .06 asked)			
No	•.03	.02	Taylor Bridge		(.... bid .04 asked)			
20c.	.02½	.01½	Wellington	7,000	.02	.01½	.01½	.01½
1	.04½	.02½	Whitewater	6,000	.04	.04	.03	.03
No	•.08	.03½	Ymir Yankee Girl		(.03½ bid .... asked)			

Oil Quotations

Par Val.	Range 1942 High	Low	Company	Sales	Close Jan. 26 (or last)	High for week	Low for week	Close Feb. 2
1	.07	.06	Alta. Pac. Cons.		(.06 bid .... asked)			
No	.55	.55	Anglo Canadian		(.... bid .50 asked)			
No	.03	.03	Anaconda		(.03 bid .03½ asked)			
No	.24	.19	Brit. Dominion	500	.24	.24	.24	.24
No	•.07½	.05	Brown Oil		(.... bid .... asked)			
No	1.17	1.05	Calgary & Ed.	660	1.14	1.15	1.10	1.12
1	.17	.14	Calmont		(.16 bid .... asked)			
No	.23	.23	Commoil		(.20 bid .23 asked)			
No	.28	.27	Commonwealth		(.27 bid .... asked)			
No	.22	.22	Dalhousie		(.20 bid .... asked)			
No	.16½	.16½	Davies Pete		(.... bid .... asked)			
No	.02½	.02½	East Crest	1,500		.02½		.02½
No	.26½	.21	Federated Petroleum		(.... bid .... asked)			
No	•.85	.41	Foothills		(.80 bid .90 asked)			
No	.20	.18	High Sarcee		(.... bid .19 asked)			
No	2.65	2.51	Home Oil	700	2.58	2.62	2.55	2.55
No	.01½	.01½	Madison	1,000	.01½	.01½	.01½	.01½
No	.01½	.01½	Marjon Oil		(.01½ bid .02 asked)			
No	.04½	.04	McD. Segur Ex.	1,000	.04	.04½	.04½	.04½
No	.04½	.03½	Mercury	4,650	.03½	.04½	.04	.04
No	.07	.06	Mill City Pete	5,000	.07	.06½	.06	.06
1	.20	.17	Model		(.14 bid .18 asked)			
25c.	.04	.04	National Pete		(.04 bid .... asked)			
1	†.05	.04	Nordon		(.03 bid .... asked)			
No	.40	.35	Okalta	1,300	.39	.36	.35	.35
No	.03	.03	Pacalta Oil	5,000	.02½	.03	.03	.03
1	•.26	.18	Pacific Petroleums		(.15 bid .... asked)			
No	.05	.04½	Royal Canadian		(.05 bid .05½ asked)			
No	†.10½	.06	Royal Crest		(.... bid .... asked)			
No	18.63	18.50	Royalite		(.... bid 19.00 asked)			
No	.05	.03½	South End	4,000	.05	.04½	.04	.04
No	.20	.20	Southwest Pete	500	.22	.20	.20	.20
1	•.05½	.02½	Spooner		(.... bid .... asked)			
25c.	.09½	.09½	Sunset Oil	1,500	.10	.09½	.09½	.09½
No	.04½	.04½	United	1,500	.04	.04½	.04½	.04½
No	.04	.04	Vanalta		(.04 bid .... asked)			
1	.20	.20	Vulcan		(.... bid .20 asked)			

*Quotations for 1941. † 1940.

Winnipeg Stocks

(Transactions from Jan. 26 to Jan 31)

	Sales	High for period	Low for period	Close Jan. 31
Federal Grain, c.	100	.40	.40	.40
Northern Trusts	5	7.00	7.00	7.00
Tombill Gold	500	.16	.16	.16
United Grain Growers	43	12.00	11.50	12.00
Western Breweries	925	1.85	1.75	1.85
Western Steel	100	9.25	9.25	9.25

Stocks Not Traded in During Week*

	Bid	Asked
Beaver Fire	75	..
Beav. Lumber p	103	..
Do., com.	2½	5
Can. Indemnity	150	..
Can. Airways	1	..
Corr. P. Box	.60	15
Cres. Cream., p.	..	9½
Dom. Envelope c	..	..
Dom. Envelope p	96	99½
Fed. Grain, pf.	..	38
Grouped Inc.	..	4½
Home Invest.	16¼	..
Nor. C. Mtge. un	5½	..
Nor. Mtge.	1	..
West. Grain, p.	..	7

*Stocks more active on other exchanges not included.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Feb. 3	4,600	14,600	102,000	....
Feb. 2	4,700	13,500	141,000	8,470
Jan. 31	4,500	200	62,000	5,150
Jan. 30	5,900	5,100	131,000	21,261
Jan. 29	4,500	6,000	167,000	17,580
Jan. 28	4,100	8,900	148,000	14,731

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Feb. 4, 1942

Dominion of Canada Bonds

%	Due	Bid	Ask.	Approx. Yld.
1½	May '42	100	100½	...
2	June '42	100¼	100¾	...
3	Oct. '42	101¼	101¾	.77
2½	June '43	101¼	101¾	1.25
5	Oct. '43	105½	106	1.59
2	June '44	100¾	101¼	1.48
a2½	Jan. '44	99½	100¾	2.25
4½	Oct. '44	106¾	107½	1.74
2½	Nov. '44	101¾	102½	1.62
a2½	Aug. '45	99½	99½‡	2.65
a4	Oct. '45	103½	104	b1.60
2	Mar. '45	100½	101	1.68
2	Dec. '46	99	99¾	2.14
4½	Feb. '46	108¾	109½	2.01
3½	June '49	102½	103½	b2.47
3½	Oct. '49	102½	103	b2.40
3½	Nov. '51	101¼	102	b2.93
3½	Feb. '52	101¼	102½	3.00
5	May '52	101¾	‡101¼	b1.93
4	Oct. '52	105¾	106¼	b2.77
3	June '51	99½	100	3.09
3	Oct. '52	98¾	99½	3.05
3	June '55	99½	99¾	3.02
4½	Nov. '56	106¾	107½	b2.80
4½	Nov. '57	107½	108½	b2.90
3	June '58	99	99¾	3.02
4½	Nov. '58	108¾	109½	b2.95
4½	Nov. '59	109¾	110½	b2.99
a4	Oct. '60	104½	‡105½	b3.30
a3½	Jan. '61	98½	99¾	3.32
3½	June '66	101½	102	b3.08
a3e	Jan. '67	94½	95½‡	3.27
a3e	Nov. '68	94½	95½‡	3.25
†3	Perpet'l.	93½	94½	3.17

Dominion Guarant'd Bonds

Can. Nat'l. Railways:

%	Due	Bid	Ask.	Approx. Yld.
2	Feb. '43	100¼	101¼	.92
2½	Jan. '46	100½	101¼	1.93
3	May '44	102½	103½	1.56
3	Dec. '50	99	100	3.00
3	Feb. '53	98½	99½	3.05
3	Jan. '59	98	99	3.08
•4½	Sept. '51	115½	116½	2.61
•4½	Feb. '56	116½	117½	2.98
4½	July '57	116½	117½	3.07

%	Due	Bid	Ask.	Approx. Yld.
4½	June '55	117½	119	3.03
5	Feb. '54	117½	118½	3.16
•5e	July '69	116	117½	...
•5e	Oct. '69	119	121	b2.60
•5e	Feb. '70	119	121	b2.67

Grand Trunk Pacific Rly.:

%	Due	Bid	Ask.	Approx. Yld.
3	Jan. '62	99½	100½	2.97

Provincial Gov't. Bonds

%	Due	Bid	Ask.	Approx. Yld.
New Brunswick:				
3	Oct. '51	91½	93	3.80
3½	Aug. '49	93½	95½	3.93
3½	June '56	92½	94½	4.00
c4	Nov. '47	101	103	b3.15
c4½	Apr. '61	103½	105½	4.09
c5	Jan. '60	109	111	4.13
Nova Scotia:				
3	Jan. '52	95½	97½	3.29
3½	June '56	98	100	3.25
3½	Nov. '50	100	102	3.23
c4½	Sept. '52	106	108	b2.97
c4½	Nov. '60	110	113	3.55
c5	Mar. '60	117½	119½	3.54
Ontario:				
2½	May '45	100	101	2.20
3	Apr. '48	99½	100½	b2.93
3	Nov. '50	98½	99½	3.06
3½	Nov. '51	100	101	b3.10
3½	May '55	100	101	b3.13
•4	June '62	107	110	3.32
4½	June '50	108½	109½	3.22
•4½	Jan. '62	114	116	3.39
5	Oct. '48	110½	111½	3.11
•5	Dec. '60	120½	122½	3.38
5½	July '46	109	110½	3.01
Ont. Hydro Commission:				
3	Aug. '48	99½	100½	b2.95
3½	Feb. '53	99½	100½	b3.18
3½	Apr. '47	101½	103	2.88
Prince Edward Island:				
4	Mar. '54	100	102	3.80
Quebec:				
3	Nov. '47	97½	99	3.20
3½	Mar. '48	98½	100	3.25
3½	Mar. '59	98	99½	3.54

%	Due	Bid	Ask.
4	Nov. '52	102	103½
3½	Feb. '55	100½	102
4½	Aug. '58	104½	106½
4½	Jan. '63	109	111
Alberta:			
4	Dec. '54	56	59
4½	Oct. '31	67	..
4½	Oct. '56	61	64
•5	Oct. '59	64	67
c5½	Apr. '52	65	68
6	Mar. '47	70½	72½
British Columbia:			
c4	Dec. '57	101	103
•4½	Jan. '31	106	...
c4½	Oct. '53	106	...
c5	Apr. '54	111	...
5½	Feb. '45	103	105
6	Feb. '47	106	108
Manitoba:			
c4	Dec. '57	96	99
c4½	Dec. '56	98	100
•5	Dec. '59	99	102
5½	Oct. '55	98	101
6	Apr. '47	100	103
Saskatchewan:			
4	Sept. '54	75	78
4	Nov. '60	74	77
c4½	Oct. '51	87	90
c4½	Mar. '60	83	86
5	Aug. '58	85	88
5½	Oct. '52	90½	93½
6	Mar. '52	92	94½

•-Payable Can., N.Y. and £. b-Calculated to call date giving lowest possible yield. c-Payable Can. & N.Y. a-Payable N.Y. †-Callable on or after Sept. 15, 1966. e-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium. ‡-N.Y. funds. ‡-Calculated to average maturity.

Unlisted Stocks

Furnished by A. J. Pattison, Jr. & Co., Toronto

Feb. 3, 1942

Industrials:	Bid	Ask.
Acme Farm., pf.	47	..
Andian National	27½	29½
Anglo C. Tel., A	7½	8
Atlas Steel	19	21
Barrymore, pfd.	36	..
Brant. Roof.	2½	..
B. C. Pulp, c.	9	10
Do., pfd.	64	69
B. C. Sugar	70½	74
B. C. Tel., 1st p.	108	112
Brown, com.	1½	2½
Do., pfd.	30½	32½
Burns & Co., A	3½	5½
Do., B	2½	3
Can. Co-op. Wl.	8	..
Can. Indust., A	158	..
Can. Ing. Rand	70	76
Can. Mot. L.A.B.	3	..
Can. Tube, 1st p	78	83
Chase, A. W., p.	17½	19½
Claude Neon, p.	2½	3½
Colonial Steam.	32	35
Copeland Fl. un.	14½	16
Colonial Realty.	2½	..
Dunlop T. p. $25	20	21½
Easy Wash. p $10	10	11½
Galt Brass, c.	9½	..
Goderich Elev.	6½	7
Guard. Realty p	10	12½
Guelph Carp., c	16½	18
Gurney Fdry. p.	1½	1½
Hayes Steel, c.	14½	16
Hi'land Dairy, p	47	50
Inglis, John	3¾	4½
Ingram & Bell p	95	..
Kingst. Ship. un	36	37
Do., com.	5	5½
Loblaw, Inc., c.	12	13½
Minn.&Ont. P. c	4½	5½
M'row Screw, p.	103	105
Do., com.	13	16

	Bid	Ask.
Morrison Br. un	4½	6
Moirs, Ltd.	18	21
Neilson, Wm., p.	100	..
N. Meth. Ldy., p	55	59
Ont. Tobacco, p.	18	19½
Pac. C. Term., c	..	7
Prov. Paper, pf.	100	103
Quinte Milk	2½	3½
Ruddy, E. L., p.	19	23
Stand. Fuel, p.	52½	56
Stedman, pf. $50	56	60
Sutton Horsley	⅞	1½
Tor. Carpet, c.	50	..
Do., pfd.	66	71
Un. F. Co-op.	2½	3½
Un. Steel. A pf.	21½	23½
Viceroy Mfg., c.	12½	..
Trusts & Loan Stocks:		
Brit. Mtge.	120	130
Brockville Tr.	42	..
Capital Tr.	28½	32
Comm. Fin., c.	4½	..
Grey&Br. Tr. $50	43	..
Guaranty Trust.	99½	103
Guelph & O. $50	50	53
Indust. Mtge.	25	28
Lambton Loan	30	33
Midland Loan	14	16
Premier Trust	36	42
Sherbrooke Tr.	120	..
Sterling Trust	51	56
Th. Can. Inv. Tr.	1½	..
Traders Fin. A c	3	5
Do., A pfd.	67	71
Trusts&Gr., new	36	40
Victoria Trust	70	75
Waterloo Trust	99	..
Insurance Stocks:		
Canada Life	365	380
Brit. Amer.	50	52½
Canadian Fire	80	82

	Bid	Ask.
Confed. 30% pd.	128	[illegible]
Cons. Fire Cas.	3½	..
Continental L.	34	[illegible]
Crown, fully pd.	265	[illegible]
Dominion Fire	136	[illegible]
D. of Can. Gen.	110	[illegible]
Empire, 25% pd.	5	[illegible]
Excelsior 38% pd	70	[illegible]
Great-West Life	198	[illegible]
Federal, 25% pd.	52½	[illegible]
Halifax Fire	15½	[illegible]
Imperial Life	260	[illegible]
Manufac. Life	215	[illegible]
Monarch Life	32½	[illegible]
National Life	10	[illegible]
Sov. L. 25% pd.	12¾	[illegible]
Sun Life	285	[illegible]
Tor. General	4½	[illegible]
Wellington Fire.	58	[illegible]
Western Assce.	40	[illegible]
Theatre Stocks:		
Allen's, St. Cath., units	51	..
Loew's London p	2½	[illegible]
Mansf. Theat. p	29½	[illegible]
Para., Kitch., p.	50	..
Do., Oshawa, c	7½	[illegible]
Investment Trust Shares:		
Can. Investors	5	[illegible]
Inv. Found. un.	48½	[illegible]
Sec's. Hold., pf.	18½	[illegible]
United Corp., A	19	[illegible]
Do., B	4½	[illegible]
Power Issues:		
Can. W. N. Gas	25	[illegible]
Do., pfd.	102	..
Gt Lakes Pr., p.	102½	[illegible]
Int. Util. $1.75 p	8½	[illegible]
Do., $3.50 pf.	29	..
Mtl. Isl. Pwr. p.	41	..
Nor. Ont. Pr. p.	71	[illegible]

Unlisted Mines

Toronto, Feb. 3, 1942

	Bid	Ask
Albany R (Old)	.03	.05
(New)	.08	.10
Amal Kirk	.04	.05
Anoki	.03	.03½
Aquarius	.23	.24
Arjon	.03½	.04½
Armistice	.06½	.09
Argosy	.05½	.08
Area	.02½	.03½
Athona (Old)	.00½	.02
(New)	.01½	.02
Barb Lard	.02	.03
Brock	.05	.06
Calder Bo	.02	.03
Can Rad	.08	.09½
Central M	.02	.02½
Cheminis	.03	.04
Coin Lake	.01¾	.02½
Cons Chib	.04	.06
Croscourt	.02	.04
Dayton	..	.01½
Delpine	.04	.05½
Demp Cad	.00½	.00¾
Desantis (New)	.07½	.08½

	Bid	Ask
Dona Pat	.01	.01½
Eastward	.08	.10
Elmos	.06½	.08
Franco	.25	.30
Galore	.00½	..
Goodrock	.17	.19
Gilbec	..	.01
Hayes Cad	.02¾	.03½
Hoyle New	.11	.13
Hugh PaP	.03	.05
Hutch Lke	.01	.01½
Keora	.00½	.01¼
Kewagama	.01	.03
Kiena	.01	.02
Kirk Gate	.00¾	.01½
Kirk Town	.07	.08
Lacoma	.00½	..
Laguerre	.08	.10
Lake Duf	.12	.14
Lake Gen	.06	.08
Largold	..	.20
Lw Pete	.14	.18
Lunward	.15	.17
Magnet C	.50	.53
Magnet L	.10	.15
Marbenor	.28	.30

	Bid	Ask
Martin Bir	.01½	.02½
Mata Can	.02	.02½
Mata Con	.13	..
McMar'ac	.18	.21
Mof Hal n	.01	.02
Mocshla	.00¾	.01½
Moshtr	.06	.08
McManus	.01½	.02
Nat Mal	.30	.32
Nickel O	1.40	1.60
Norbeau	.12	.15
Northland (1940)	..	.04
Norwin	..	.04
New Mal	..	.16
Newbec	.00½	.01½
N Ribago	.00½	.01½
Numalake	.09	.13
Okend	.03¾	.04½
O'Leary	.03	.04½
Opemiska	.04	.08
Orpit	.04½	.05½
Ossian	.00½	.01
Pascalis	.18	.22
Pontiac R (Old)	.02	.04

	Bid	Ask
Pelangio	.01½	.02½
Polaris	.02	.04
Propri'y	3.65	3.90
Presdor	.04	.05
Queb Mn	.14	.15
Rahn Lake	.00¾	.01½
Rand Ml	.13	.15
Red Lake	..	.01½
Ritoria	.01¾	.02½
Rouge	.02	.04
S.A.G.A.	..	1.00
Sachigo	4.50	..
Senore	.01½	.02½
Sepha	..	.13
Shenango (New)	..	.18
Sheldon	.03½	.05
Skynner	.01¾	.02
Smelters	..	.01
Springer	.11	.13
Stadacona	.06	.09
Thomson	.12	.14
Tobico	..	.08
Union Mn	.03	.04
Wesley	.01½	.03
Y David'n	.20	.24

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Feb. 3, 1942

Public Utility Issues:	Int. Rate %	Due	Bid Feb. 3	Asked	Bid Jan. 27
▲†Alg. C. H.B.R.	5	'59	9½	11½	9½
†Assoc. Tel. & T.	5½	'55	67	70	67
B. C. Power	4½	'60	99	101	99
B. C. Tel.	4½	'61	105½	107½	105
†Calgary Pwr.	5	'60	106	108	106
Do.	5	'64	103	...	103
†Can. Nor. Pwr.	5	'53	102	104	102
•Dom. Gas & El.	6½	'45	101½	104½	101
Gatineau Pwr.	5	'49	100	102	99½
•Do., A	3½	'69	100	102	100
▲Do., B	3½	'69	100	102	100
Gt. Lakes Pwr.	4½	'56	100	102	100
Do.	5	'57	96½	99½	96½
•Int. Hydro-El.	6	'44	30	33	29½
▲Inter. Power	6	'55	101	...	101
L. St. Law. Pwr.	5	'55	100	102	100
Macl'n-Que. Pr.	4	'59	100	102	100
Mtl. L. H. & Pr.	3½	'56	103½	105½	103½
Do.	3½	'73	102	104	102
Do.	3½	'63	102½	104½	102½
†Mtl. Tramways.	5	'41	100	102	100
†Do.	5	'55	72½	75½	72½
Nat. Lt. & Pwr.	6	'49	101½	103½	101½
N. S. Lt. Pr.	5	'57	101½	103½	101½
Ottawa L.H.&P.	4	'57	102	104	102
Ottawa V. Pwr.	5	'59	101	103	101
†Power Corp.	4½	'59	92½	95½	92½
Quebec Pwr.	4	'62	102½	104½	102½
•Saguenay P.	4½	'66	107	...	107
▲Do., B	4½	'66	105½	...	105½
St. Maurice Pr.	4½	'70	102	104	102
Shaw. W. & Pr.	4	'61	102	104	102
Do.	4	'69	102	104	102
Union Gas	4½	'50	102	104	102
•Twin C. R. Tr.	5½	'52	80½	83½	76
†United Secs.	5½	'52	42	45	42
‡Wpg. El. ser. A.	5	'65	82	85	80½
Do., B	5	'65	66	69	64
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	73	76	71
Do., C.O.D.	5	'53	72½	75½	71
Acadia Sugar	4½	'55	101½	...	98½
Do.	6	'54	99	102	101½
†Alta. Pa. Grain.	6	'46	103½	105½	103½
Algoma Steel	5	'48	100	103	100½
Atlantic Sugar	5	'51	101	103	101
†B. C. Pulp & P.	6	'50	93	96	93
‡†Do.	7	'50	108	...	108
•Brown Co.	5	'59	79	82	76½
Burns & Co.	5	'58	68½	71½	69
Canada Cement	4½	'51	102	105	102
Canada Electric	4½	'65	96½	99½	96½
Can. Paper	4½	'52	101½	...	101½
Can. Steamships	5	'57	101	103	101
Can. Canners	4	'51	...	...	101½
•Can. Int. Paper.	6	'49	105	...	105
‡Can. Locomotive	6	'33	102½	...	101
‡†Candn. Vickers	6	'47	88	91	88
C. P. R.	3½	'51	96	98	95½
Do.	4	'49	100	102	99½
Do.	6	'42	99½	101½	99½
Col. Steamships	5½	'54	101	103	101
†Consol. Paper	4½	'61	78	81	76
Dom. Coal	4	'52	100½	103½	100½
Dom. Scott. Inv.	6½	'52	98½	...	98
Dom. ..l & C.	4½	'55	104	107	103½
Dom. Tar	4½	'51	101½	104½	101
Dom. Woollens	6	'53	96½	99½	96
†Donnacona Pap	4½	'56	77½	80½	77
•Dryden Pap.	6	'49	100½	103½	100½
†East. Dairies	4½	'49	81	84	82
Famous Players	6	'51	98	101	98
†Federal Grain	6	'49	102	...	102
†Fraser Cos.	5	'50	102	...	102
Galt Brass	4½	'50	93	...	93
Gen. Stl. Wares	5	'52	101½	103½	100½
•Gt. L. Paper	5½	'55	93½	96½	94
•Gurney Fdry.	5½	'49	85	88	85
†Gypsum Lime	5½	'48	101½	104½	101½
Ham. By-Pr. C.	6	'35	102	...	102
Do.	6	'56	100	103	100
Ham. Cotton	4½	'50	100½	103½	100½
Inter-City Bak.	5½	'48	102	...	102
Indust. Accept.	4	'52	77½	80½	...
Ins. Ex. Bldg.	3	'51	44	47	44
•Inter. P. Nfld.	5	'68	97½	...	97½
•Inv. Bond & Sh	5	'47	42	45	42
†Kingston Elev.	5½	'30	104½	107½	104½
Lake St. J. P.	6	'61	90½	93½	90
Do.	5	'61	71½	74½	71½
Legare	3	'58	90	93	90
Maple L. M.	5	'60	74½	77½	74
Mar. Sugar	4½	'54	100	103	99½
Massey-Harris	4½	'49	93	96	93
McColl-Fron.	4½	'52	102	104	101½
†-Cormicks	4½	'52	96½	99½	96
Do.	5	'39	104	105	104
Mercury Mills	5	'57	94	97	94
Mersey Paper	6	'49	96½	99½	96½
†Do.					

Supplementary Stock Quotations

(Furnished by Plaxton, Cherry & McDonnell, Toronto)

Feb. 3, 1942

Miscellaneous Stocks:	Bid Feb. 3	Ask.	Bid Jan. 27
†Allens Tor. Th., p.	31½	35	32
Atlas Steels, 7% pfd.	105	106½	105
Brinton Peterboro Cpt.	40	..	40
Can. Col. Airways	2½	2¾	2½
•Can. Gen. Rubber, pfd.	21½	24½	21
Can. Mach., new c.	7¾	..	7¾
C.P.R. 4% pfd. (£ par)	1.85	2.50	1.85
Cap. Wirecloth, p.	18½	21½	18
Cawthra Apts., pfd.	1.60	..	1.65
Comm. Life, 10% pd.	6½	7½	6
Corrug. Paperbox, c.	1	1½	1
Dom. Alloy & Steel, c.	..	.25	.10
Dom. Life, 70% pd.	173	195	175
Dover Industries	6	7	6½
Eastern Steel, pfd.	19½	21	19½
†Fort W. Hotel, units	45½	49½	45
Hart Battery, com.	4	4½	4½
Imperial Varnish, c.	8½	9½	8½
Indust. Accept., 5% p.	61	66	64
London & West. Trusts	33	36½	33½
•Monarch Mtge. Inv. un.	.35	.50	.35
Mount Royal, new com.	3.05	4	3.05
Murphy Paint, com.	8½	9½	8½
Do., pfd.	88	90	88
Nat. Hosiery, com.	.60	.90	.65
Do., pfd.	.80	1.10	.75
†N. Amer. Elevator, p.	79½	..	79
St. John Dry D., p.	99½	102	99
Seal-o-Sac	.65	1.00	.75
Tip Top Tailors Inc., un.	11½	14	12
Traders Finance rts.	11½	13	11½
Viceroy Mfg., 6% pfd.	23	24	23
Waterloo Mfg., new c.	.60	.90	.60
Wentworth Radio, p.	2.00	2.90	2.0
West. Can. Hydro, pfd.	10½	11½	
West. Life, 10% pd.	9½	11	

*Issue carries arrears.
†Currently paying on arrears.

Corporation Bonds (Cont'd)

	Int. Rate %	Due	Bid Feb. 3	Asked
•M. & O. Paper	5	'60	101	103
Moirs Ltd.	6	'53	89½	92½
‡Mtrl. Drydocks.	6	'48	82½	85½
Montreal Apts.	4	'54	51	54
Nat. Grocers	4	'47	101½	..
N. S. Stl. Coal	3½	'63	81½	84½
Price Bros.	5	'57	99	101
Do.	4	'57	84	87
•Prov. Paper	5½	'47	105	..
Reliance Grain.	4½	'52	96	99
†Restigouche Co.	6	'48	101½	103½
Rolland Paper	4½	'51	101½	..
Ruddy, E. L.	6½	'48	93	96
Silv. Dairies	6	'66	93	96
Simpsons, Ltd.	4½	'51	101	104
Smith, Howard	4½	'51	102	105
Stand. Lime	6	'44	97½	..
Sterling Coal	6	'45	97½	100½
Stop Shop	3	'47	57½	60½
United Corp.	5	'53	94	..
•United Gas	5½	'48	105	..
United Gr. Grs.	5	'48	100½	103
†Western Grain	6	'49	65	68

•Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
*Payable in U. S.
▲Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Can. or U. K.

Municipal Bonds

Feb. 3, 1942

	%	Due	Bid
†Halifax	5	1961	113.00
Hamilton	5	1950	109.25
Montreal	5	1945	93.00
Ottawa	4½	1945	104.00
†Quebec	5	1950	109.00
Saint John	5	1950	104.00
†Toronto	4½	1955	111.00
†Vancouver	5	1950	100.00
Winnipeg	5	1944	101.00

†Payable Can. & N.Y.

Investment Tru

Affiliated Funds
Can. Amer. Trust
Can. Inter. Trust
Can. Invest. Fund
Corporate Investors
Trans-Canada

Annual Meetings

Company	Place
6—Trusts & Guarantee	Toronto
—Montreal C. & Det. Sav.	Montreal
10—Royal Trust	Montreal
10—Sun Life	Montreal
11—Huron & E. Mtge.	London
11—Ont. Loan & Deb.	London
11—Toronto Mortgage	Toronto
12—Canada Bud Brew.	Toronto
12—Dom. Oilcloth & Lin.	Montreal
12—Nat. Sewer Pipe	Toronto
12—Biltmore Hats	Guelph
14—General Steel Wares	Montreal
18—Brit. Northwestern Fire	Toronto
18—Sec. Nat. Insur.	Toronto
19—Lake St. J. Power	Montreal
20—Canada Cement	Montreal
23—Montreal Life	Montreal
26—Bell Telephone	Montreal
27—Bruck Silk Mills	Montreal
23—Montreal Tramways	Montreal

Mining Dividends

	Rate	Feb. 2	Yield %
do-Huronian	▲10c	2.30	..
gus Interests	†4c	.35	..
r Gold	16c	1.40	11.4
gonne	†1c	.04¼	..
ttie Gold	16c	.88	18.2
ens River	†3c	1.00	..
alorne	80c+40c	8.30	*14.4
lan Porc.	12c	.54	22.2
ffalo Ankerite	▲30c	2.50	..
elo Gold	$3	7.63	..
n. Malartic	8c	.45	17.8
riboo Gold	16c+8c	1.55	*15.4
ntral Patricia	16c+6c	1.05	*20
esterville	15c	1.20	..
chenour Willans	6c	.54	11.1
niagas	▲17½c	1.25	..
nsiaurum	16c	.93	17.2
ns. Smelters	$1+$1.50	38.50	*6.5
nite	▲6c	.65	..
me Mines	$2	17.25	11.7
st Malartic	▲20c	1.99	..
conbridge	20c	3.25	..
ncoeur Gold	▲4c	.32	..
d Belt	▲2c	.13	..
andview	▲1½c	.16	..
ull Wihksne	†½c	.03	..
llnor	60c	2.50	24
rd Rock	▲8c	.48	..
dley Mascot	8c	.32½	..
llinger	65c+45c	9.55	*11.5
wey Gold	▲4c	.20	..
dson Bay	$2	27.00	7.4
spiration	†2c	.27½	..
er. Nickel com.	$2	34.75	3.7
and Mountain	▲18c	1.05	..
son	4c	.27	..
rr-Addison	▲35c	3.75	..
er Lake	5c	.22	..
rkland Lake	10c+1c	.56	*19.6
otenay Belle	▲8c	.16	..
maque Gold	40c+15c	3.75	14.6
ke Shore	$1.40	9.75	14.3
itch	8c	.40	20
ttle Long Lac	▲20c	1.30	..
cassa	32c+3c	2.55	*13.6
dsen R. Lake	▲3c	.39	..
lartic Gold	10c	1.83	..
cGillivray Coal	2c	.22½	..
Kenzie Red L.	12c	.89	13.4
neta	8c	.26	..
cIntyre-Porc.	$2.22+$1.11	40.00	8.3
acLeod-Cockshutt	10c	1.57	..
ybob Gold	4c	.19	..
gus	7½c	.48	..
pissing	15c	.99	15.2
randa	$4	48.00	8.3
rth Empire	▲40c	3.75	..
Brien Gold	10c	.78	..
mour Porc.	18c	.80	..
to Cons.	20c+2c	2.75	*8
nd Oreille	†6c	1.53	..
rron Gold	16c+9c	1.27	*19.0
oneer, B. C.	40c	1.90	21.6
ckle Crow	40c	2.25	17.7
acer Develop.	$1.20	8.37	14.4
emier	11c	.57	19.3
eston E. Dome	20c+10c	2.86	*10.5
vateer Mines	12c+4c	.38	..
ebec Gold	2c	.30	..
n Antonio	14c+6c	1.75	*11.4
eep Creek	16c+1c	.83	*20.4
erritt Gordon	10c	.87	..
gma Mines	▲30c	5.75	..
bak Premier	16c	.70	22.8
scoe	▲8½c	.47	..
urgeon River	4c	.10½	..
dbury Basin	▲5c	1.53	..
llivan Cons.	▲8c	.56	..
rf Inlet	▲2c	.07½	..
lvanite Gold	28c	1.75	16
ck-Hughes	40c	2.10	19
burn	12c+6c	1.02	*17.6
pper Canada	▲14c	1.03	..
entures	▲20c	3.50	..
aite Amulet	40c	4.40	..
endigo	3c	.13½	..
right-Harg.	40c+20c	2.51	*23.9
mir Yankee	2c	.03½	..

▲Paid in 1941. *Yield including bonus.
†Initial.

Dividends Declared

	This payment	Date payable	Date of record
new Surpass	40c	Mar. 2	Feb. 16
Do., pref.	$1.75	Apr. 1	Mar. 16
luminium	$2	Mar. 5	Feb. 13
Do., pref.	†$1.50	Mar. 1	Feb. 6
unor Gold	4c	Mar. 3	Feb. 14
mal. Oils	▪4c	Mar. 15	Mar. 1
orden Co.	†30c	Mar. 2	Feb. 16
ruck Silk	▪10c	Feb. 25	Feb. 5
ank of Montreal	$2	Mar. 2	Jan. 31
elding-Cort., ext.	▪$2	Mar. 2	Feb. 14
C. Packers	*$1.50	Mar. 16	Feb. 28
ank of Toronto	$2.50	Mar. 2	Feb. 14
athurst P & P., A	25c	Mar. 2	Feb. 13
ertram & Sons	15c	Feb. 15	Jan. 31
Do., extra	5c	Feb. 15	Jan. 31
anada Vinegars	10c	Mar. 2	Feb. 14
an. Wire & C., A	$1	Mar. 15	Feb. 28
Do., B	.50c	Mar. 15	Feb. 28
Do., pref.	$1.62½	Mar. 15	Feb. 28
an. Cr. Stone	10c	Mar. 16	Mar. 2
anada Dry	†15c	Mar. 9	Feb. 24
an. Foundries, A	37½c	Mar. 16	Mar. 2
an. Inv. Fund	5c	Feb. 2	Jan. 15
an. Cel., inc. fd. rts.	$1	Mar. 17	Dec. 31
ockshutt Plow	25c	June 18	June 4
apital Trust	$1	Mar. 1	Dec. 13
anadian Oil, c.	25c	Feb. 16	Jan. 31
omm'wealth Intl.	4c	Feb. 16	Jan. 15
an. Breweries, pfd.	75c	Apr. 1	Mar. 16
orr. Pap. Box., pf.	$1.75	Mar. 2	Feb. 16
osmos Imp. Mills	30c	Feb. 14	Jan. 31
Do., extra	15c	Feb. 14	Jan. 31
an. Bakeries, p.	$1.25	Mar. 2	Feb. 19
oniagas Mines	10c	Feb. 26	Feb. 10
ommoil	1c	Feb. 27	Feb. 11
rown Cork	50c	Feb. 16	Feb. 6
Dom. Bridge	30c	Feb. 25	Jan. 31
Dom. Envelope, pf.	$1.75	Mar. 1	Feb. 20
Dom. Scot. Inv., p.	▪50c	Mar. 2	Feb. 20
ast Steel, c.	25c	Mar. 2	Feb. 16
amous Players	25c	Feb. 27	Feb. 14
ranby Cons. M.	†15c	Mar. 2	Feb. 13
Do., extra	†5c	Mar. 2	Feb. 13
randview Mines	1c	Feb. 15	Jan. 20
en. Stl. Wares, p.	$1.75	Feb. 20	Feb. 10
Do., participating	25c	Feb. 20	Feb. 10
allnor Mines	10c	Mar. 3	Feb. 14
Hedley Mascot G.	2c	Feb. 16	Jan. 24
oney Dew	50c	Apr. 1	Mar. 14
Kerr Addison	5c	Feb. 28	Feb. 10
Langleys, pfd.	▪50c	Mar. 11	Mar. 2
Do.,	▪50c	June 11	June 2
Do.	▪50c	Sept. 11	Sept. 2
Do.	▪50c	Dec. 11	Dec. 2
Laura Secord	20c	Mar. 2	Feb. 15
Leitch Gold	2c	Feb. 16	Jan. 31
Loblaw Groc., A, B	25c	Mar. 2	Feb. 10
Loblaw Inc.	25c	Feb. 28	Feb. 13
Lake of W. Mill.	30c	Mar. 2	Feb. 14
Do., pref.	$1.75	Mar. 2	Feb. 14
McIntyre Porc.	55½c	Mar. 2	Feb. 2
Melchers Dist., pfd.	30c	Feb. 16	Feb. 2
Mitchell, J. S.	$2.50	Mar. 2	Feb. 16
Montreal Loan	31¼c	Mar. 16	Feb. 28
Nat. Biscuit, c.	†40c	Apr. 15	Mar. 17
Do. pref.	†$1.75	Feb. 28	Feb. 13
Noranda Mines	$1	Mar. 17	Feb. 20
Northern Mtge.	50c	Feb. 2	Jan. 31
N. S. Lt. & Pr., pf.	$1.50	Mar. 2	Feb. 14
Ont. Steel	25c	Feb. 16	Feb. 7
Do., pref.	$1.75	Feb. 16	Feb. 7
Ottawa L. & Pr.	15c	Apr. 1	Feb. 10
Do., pref.	$1.25	Apr. 1	Feb. 10
Penmans	75c	Feb. 16	Feb. 5
Quebec Power	25c	Feb. 25	Jan. 26
Privateer Mine	3c	Feb. 10	Jan. 25
Do., extra	1c	Feb. 10	Jan. 25
Proprietary Mines	5c	Feb. 28	Feb. 14
Petrol Oil	▪2c	Mar. 2	Feb. 14
Photo Engrav.	50c	Mar. 2	Feb. 14
Provincial Bank	$1.50	Mar. 2	....
Prov. Transport	20c	Feb. 16	Feb. 9
Quinte Milk	10+5c	Feb. 2	Jan. 31
Reliance Grain, p	$1.62½	Mar. 14	Feb. 28
Rolland Paper, c.	15c	Feb. 14	Feb. 4
Do., special	15c	Feb. 13	Feb. 3
Rolland Paper, pfd.	$1.50	Mar. 2	Feb. 14
Royal Bank	$2	Mar. 2	Jan. 31
South Can. Pwr.	20c	Feb. 16	Jan. 31
Shawinigan W.	23c	Feb. 25	Jan. 28
Sunset Oils	1½c	Mar. 16	Mar. 5
Sherbrooke Tr.	$1.50	Feb. 1	Jan. 15
Toburn Gold	3c	Feb. 23	Jan. 22
Do., extra	1c	Feb. 23	Jan. 22
United Corp., A	38c	Feb. 16	Jan. 15
Union Gas	20c	Mar. 14	Feb. 20
Upper Can. Mines	3c	Mar. 2	Feb. 16
Walker-Good.	$1	Mar. 16	Feb. 20
Do., pref.	25c	Mar. 16	Feb. 20
Waite Amulet	10c	Mar. 10	Feb. 14
York Knitting	20c	Feb. 16	Feb. 6
Do., 1st pref.	$3.50	Feb. 16	Feb. 6
Do., 2nd pref.	$3.50	Feb. 16	Feb. 6

†Payable in U. S. funds
▪Subject to approval of Foreign Exchange Control Board. *Initial.

Toronto Customs Collections Record

Customs and excise revenue at Toronto in 1941 established a new all-time high record, gaining 54% to $126 millions over 1940. In December, this source of revenue brought $13 millions, gain of $4 millions over Dec., 1940.

DIVIDEND NOTICES

British Columbia Packers Ltd.

Notice is hereby given that subject to the necessary approval being obtained from the Foreign Exchange Control Board the Directors of British Columbia Packers Limited have declared a dividend of one dollar and fifty cents ($1.50) per share, payable by cheque to be issued at Vancouver on 16th March, 1942, to shareholders of record at the close of business on February 28th, 1942. Shareholders holding certificates in street form are requested to surrender such certificates to the Company's Transfer Agents, the London and Western Trusts Company Limited, at its office in Toronto or Vancouver, or the Chartered Trust and Executor Company at its Montreal office, so that they may become registered as the owner of such shares before 28th February, 1942. Dated at Vancouver, B.C., this 30th day of December, 1941.

By Order of the Board.
A. HAMILTON,
Secretary.

Lake of the Woods Milling Company Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of 1¾% has been declared on the Preferred shares of the Company, payable on March 2nd, 1942, to shareholders of record at the close of business on February 14th, 1942.
By Order of the Board.
D. A. MacINNES,
Secretary.

NOTICE IS HEREBY GIVEN that a dividend of 30 cents per share has been declared on the outstanding shares of the Common Stock of the Company, payable on March 2nd, 1942, to shareholders of record at the close of business on February 14th, 1942.
By Order of the Board.
D. A. MacINNES,
Secretary.

RELIANCE GRAIN COMPANY LIMITED

6½% CUMULATIVE PREFERRED STOCK

A DIVIDEND of one and five-eighths per cent (1⅝%) per share, being the dividend for the quarter ending February 28, 1942, has been declared and authorized to be paid on March 14, 1942, to all preference shareholders of record with the transfer agents of the Company at the close of business on February 28, 1942.

By order of the Board,
A. W. GIBB, Secretary.
Winnipeg, January 23, 1942.

Dominion Bridge Company, Limited

DIVIDEND NOTICE

A Dividend of THIRTY CENTS (30c) per Share has been declared on the Outstanding No Par Value Shares of this Company for the Quarter ending 31st January, 1942, payable 25th February, 1942, to Shareholders of record at the close of business on the 31st January, 1942.

By Order of the Board,
F. W. EVENS,
Secretary.

Montreal, Que.,
27th January, 1942.

COMMOIL LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that an Interim Dividend of 1c per share has been declared on the outstanding no par value shares of the Company, payable February 27th, 1942, to shareholders of record at the close of business, February 11th, 1942.

The transfer books of the Company will not be closed.

By Order of the Board,
G. J. McKAY,
Secretary.

January 24th, 1942.

CANADA WIRE & CABLE COMPANY

DIVIDEND NOTICES

PREFERRED DIVIDEND NO. 52.

TAKE NOTICE that the regular Quarterly Dividend of $1.625 per share, on the outstanding Preferred Stock of the Company for the three months' period ended 28th February, 1942, has been declared as Dividend No. 52, payable 15th March, 1942, to Shareholders of record at the close of business, 28th February, 1942.

CLASS "A" DIVIDEND NO. 26.

ALSO TAKE NOTICE that a Dividend of $1.00 per share on the outstanding Class "A" Common Shares of the Company has been declared as Dividend No. 26, payable 15th March, 1942, to Shareholders of record at the close of business, 28th February, 1942.

CLASS "B" DIVIDEND NO. 16.

ALSO TAKE NOTICE that an Interim Dividend of 50 cents per share on the outstanding Class "B" Common Shares of the Company has been declared as Dividend No. 16, payable 15th March, 1942, to Shareholders of record at the close of business, 28th February, 1942.

By Order of the Board.
A. L. SIMMONS,
Secretary.

Toronto, 28th January, 1942.

Lake St. John Power and Paper Company, LIMITED

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

Notice is hereby given that the Annual General Meeting of the Shareholders of the above Company will be held at the Office of the Company, Room 820 Sun Life Building, Montreal, Que., on Thursday, 19th February, 1942, at the hour of 12 o'clock noon, for the following purposes, that is to say:

1. To receive, consider and if deemed fit, approve the Balance Sheet, General Statement of Income and Expenditure, Statement of Surplus, Report of the Auditors and Report of the Directors of the Company for the fiscal period ended 31st December, 1941;

2. To consider and if deemed fit, to sanction, approve, ratify and confirm each and all of the acts, transactions and proceedings of the Directors and Officers of the Company since the last Annual Meeting of Shareholders;

3. To elect Directors;

4. To appoint auditors and to fix or to authorize the Board of Directors to fix their remuneration;

5. To transact such other business as may properly come before the Meeting.

If you are unable to attend the Meeting please complete and return the form of instrument of proxy.

By Order of the Board.
C. W. DAVISON,
Secretary.

Montreal, Que., 29th January, 1942.

Beauharnois Income Grows

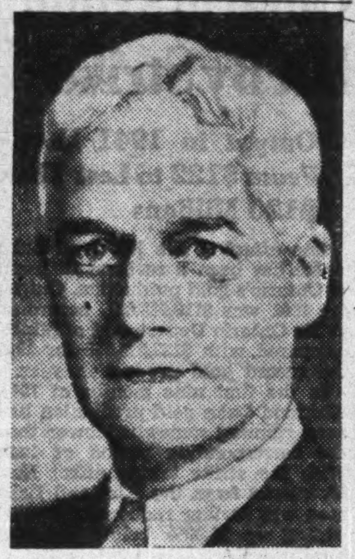
From Our Own Correspondent

MONTREAL.—Beauharnois Light, Heat and Power Corp's statement for 1941 is expected to show gross income around $5.5 millions compared with $4.3 millions in 1940. After provision for interest charges, balance for depreciation should amount to nearly $1.4 millions, as against $338,020 in 1940.

Deliveries to Ontario Hydro were stepped up 200,000 h.p., leaving a balance of only 50,000 h.p. in reserve to complete the full terms of the contract.

Further work was carried out on expansion a result of rights secured to divert additional water from the St. Lawrence. Work on the installation of the 13th unit is in the final stages. This gives the plant a rated capacity of 650,000 h.p., making it one of the largest single developments in North America.

It is not expected that power will be available from the 13th unit for some time, or until dredging of the tail race is completed.



VICE-PRESIDENT

Newton J. Lander, managing director of the Continental Life Insurance Co., has been appointed vice-president. He now holds the offices of vice-president and managing director. Mr. Lander has been 42 years with the Continental Life. He is president of the Life Insurance Institute of Canada and past president of the Canadian Life Insurance Officers Association.

DIVIDEND NOTICES

Borden's

COMMON DIVIDEND
No. 128

An interim dividend of thirty cents (30¢) per share has been declared on the outstanding common stock of this Company, payable March 2, 1942, to stockholders of record at the close of business February 16, 1942. Checks will be mailed.

The Borden Company
E. L. NOETZEL, *Treasurer*

Honey Dew Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of fifty cents (50 cents) per share, on the outstanding capital stock of the Company, has been declared payable on the first day of April, 1942, to shareholders of record at the close of business on the 14th day of March, 1942.

By Order of the Board,
R. G. McMULLEN,
Secretary.

Toronto, Ontario.
February 2, 1942.

General Steel Wares Limited

DIVIDEND NOTICE

Notice is hereby given that a fixed cumulative dividend of $1.75 per share, being at the rate of 7% per annum in respect of the three months period commencing on the 1st day of November, 1941, and ending on the 31st day of January, 1942, and a cumulative participating dividend of twenty-five cents per share in respect of the year 1941, have been declared on the outstanding 45,000 shares of 7% Cumulative Participating Preferred Stock of a par value of $100.00 each of General Steel Wares Limited, payable on the 20th day of February, 1942, to shareholders of record at the close of business on the 10th day of February, 1942.

By Order of the Board,
FRANK S. BROPHY,
Secretary.

Montreal, January 29th, 1942.

NOTICE OF DIVIDEND

Famous Players Canadian Corporation LIMITED

NOTICE is hereby given that a dividend of Twenty-five Cents (25c) per share has been declared on all issued common shares of the Company without nominal or par value, payable on Friday, the 27th day of February, 1942, to shareholders of record Saturday, the 14th day of February, 1942.

By Order of the Board.
N. G. BARROW,
Secretary.

DATED at Toronto, this 28th day of January, 1942.

Montreal Tramways Company

ANNUAL GENERAL MEETING

NOTICE is hereby given that in accordance with the By-laws of the Company, the Annual General Meeting of the Shareholders of MONTREAL TRAMWAYS COMPANY will be held at the Company's Offices, Tramways Building, 159 Craig Street West, Montreal, P.Q., at 12 o'clock noon, on Thursday, the 23rd day of April, 1942. This meeting will be held for the reception of the Annual Report, Election of Directors, and the transaction of such other business as may legally come before said meeting.

The Transfer Books will be closed from the 3rd day of April, 1942, to the 22nd day of April, 1942, both days inclusive.

By order of the Board,
PATRICK DUBEE,
Secretary-Treasurer.

Montreal, January 29th, 1942.

Price 'Outs' on Farm Products

Canada Affected by U. S. Price Control

Last week at Washington, President Roosevelt signed a price control measure which may have many repercussions in Canada.

One important feature of the bill to Canadians is the action taken (or not taken) on farm products. It is the farm clauses of the bill which have the most escalator and escape clauses and which are bound to affect Canada sooner or later, not only in respect of direct subsidy costs to the Dominion treasury (cotton imports for example), but as well in the psychological effect on Canadian farmers, some 400 of whom have converged on Ottawa in search of higher wheat prices.

The bill, in general, looks weak and puny compared with Canada's overall price jacket, but it is some improvement over what might have come out of the wrangle that has been going on in legislative committees at Washington for the past six months.

There seems little doubt that the new measure will be enforced to the limit to put a brake on price movements.

The present measure is only a beginning and there will be a tightening up of controls as war's impact becomes more realistic.

There is as yet no curb parallel to Canada's on wages and salaries, and there is only partial control of farm prices. In other areas, Mr. Henderson has been given authority to impose a licensing system, increase production through buying and selling of commodities, fix rentals and prices roughly at Oct. 1 to 15 levels; and control rationing of civilian supply. The general approach is "selective" and therefore very different to the "overall" control adopted by Canada last autumn.

In the following table, The Financial Post has compiled the "floor" which the bill gives for agricultural prices. The price bill rules that farmers prices must not be fixed lower than the highest of the following levels:

1. At the price equivalent to 110% of "parity." (Parity is a price on farm products purporting to give farmers the same purchasing power as they had in the 1909-14 period).

2. Average farm prices for 1919-1929 levels.

3. Average farm prices at Oct. 1, 1941.

4. Average farm prices on Dec. 15, 1941.

The bill also provides that the Secretary of Agriculture must approve any farm price orders made by the administrator. It also exempts commodities (mostly dairy products) now handled under Federal Marketing Agreements Act.

The "Floor" for Farm Products Prices

	110% of parity equivalent	Mkt. prices during 1919-29	Mkt. price Oct. 1/41	Mkt. price Dec. 15/14	"Ceiling" (Highest) of cols.1-4)
Wheat (bu.)	1.39	1.33	.93	1.02	1.39
Corn (bu.)	1.01	.89	.68	.67	1.01
Oats (bu.)	.63	.47	.39	.45	.47
Barley (bu.)	.97	.69	.50	.56	.97
Rye (bu.)	1.13	.95	.54	.58	1.13
Flaxseed (bu.)	2.66	2.34	1.74	1.78	2.66
Rice, rough (bu.)	1.28	1.27	.93	1.44	1.44
Cotton (lb.)	.19½	.21	.17	.16	.21
Cottonseed (ton)	35.47	37.20	50.36	44.65	50.36
Potatoes (bu.)	1.10	1.24	.66	.83	1.24
Sweet potatoes (bu.)	1.38	1.34	.90	.87	1.38
Peanuts (lb.)	.08	.06	.04	.04	.08
Apples (bu.)	1.50	1.49	.86	1.09	1.50
Raw sugar (100 lb.)	4.34	4.70	3.50	....	4.70
Butter (lb.)	.40	.43	.33	.34	.43
Butterfat (lb.)	.44	.44	.37	.36	.44
Chickens (lb.)	.18	.21	.16	.16	.21
Turkeys (lb.)	.23	.29	.18	.21	.29
Eggs (doz.)	.48	.33	.31	.34	.48
Hogs (cwt.)	11.35	9.77	10.59	10.21	11.35
Beef cattle (cwt.)	8.19	6.82	9.27	9.38	9.38
Veal calves (cwt.)	10.61	9.65	11.20	11.22	11.22
Lambs (cwt.)	9.23	10.99	9.75	9.86	10.99
Wool (lb.)	.29	.34	.36	.37	.37
Hay (ton)	18.67	13.48	8.14	9.43	18.67
Beans (dry, edible, cwt.)	6.30	5.77	4.31	4.93	6.30
Milk (wholesale, cwt.)	2.52	2.53	2.46	2.66	2.66
Milk (retail, qt.)	.11	.11	.11	.11	.11
Oranges (box)	2.26	2.89	1.70	1.14	2.89
Index (all farm prod.)*	157.3	152.5	1.39	1.43	157.3

*1909-14 equals 100.

Mr. Henderson has declared his disappointment at the measure in no uncertain terms. Speaking to a group of women's leaders in Washington a few days ago he said:

"If we have no more in the way of price control than the bill that came out of Congress this week, no one will dare say we will not have inflation."

He added that even with the Treasury tax programme the price bill "will not keep your prices in line."

Mr. Henderson contended that the bill's controls were "not extensive nor adequate enough" to stop spiraling prices. This is especially true about the cost of living, because the bill could not stop a rise in food and fibre prices."

Brazilian 1941 Net Gain 20.4%

Brazilian Traction Light & Power Co., 1941, net earnings, before depreciation and amortization, climbed 20.4% over the figure for 1940. Net for the year was $23,033,740 against $19,136,368. Gross earnings in 1941 were $42,770,608 against $37,737,986, a gain of 13.2%.

Carrying through of the increase in aggregate net earnings for 1941 to final net profit would mean around $1.57 a share for Brazilian. Net in 1940 was $1.31.

December earnings continued to climb higher. Gross earnings during the month were $392,014 higher than Dec., 1940, at $3,748,632. Operating expenses during the month increased $123,568 to $1,765,099 leaving net before depreciation and amortization at $1,983,533, up $268,446.

DIVIDEND NOTICES

LANGLEY'S LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of $2.00 per share on the outstanding paid up Seven per cent (7) Cumulative Redeemable Preference Shares of the Company, has been declared, payable in four quarterly instalments (of 50 Cents each) which are subject to the approval of the Foreign Exchange Control Board. Payments to be made on March 11th, June 11th, Sept. 11th, and December 11th, 1942, to shareholders of record at the close of business on March 2nd, June 2nd, Sept. 2nd and December 2nd, 1942.

By order of the Board.
P. G. SHAY,
Secretary-Treasurer.

Toronto, January 27, 1942.

Ottawa Light Heat and Power Company, Limited

The following dividends are payable 1st April, 1942, to Shareholders of record 10th February, 1942.

Preferred Stock: 1¼% (being at the rate of 5% per annum).

Common Stock: Fifteen Cents (15 cts.) per share on the No Par Value Shares.

The transfer books will not be closed.

By Order of the Board.
F. W. FEE,
Secretary.

OTTAWA, 3rd February, 1942.

Waite Amulet Mines, LIMITED

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of Ten Cents (10c) per share, payable in Canadian funds, has been declared by the Directors of WAITE AMULET MINES, LIMITED, payable March 10, 1942, to shareholders of record at the close of business February 14, 1942.

By order of the Board.
J. R. BRADFIELD,
Secretary.

Toronto, Ont.
January 30, 1942.

Noranda Mines, Limited

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of $1.00 per share, payable in Canadian funds, has been declared by the Directors of Noranda Mines, Limited, payable March 17th, 1942, to shareholders of record at the close of business February 20th, 1942.

By order of the Board.
J. R. BRADFIELD,
Secretary.

Toronto, January 30th, 1942.

Hallnor Mines Limited

(No Personal Liability)
DIVIDEND NOTICE

Notice is hereby given that an interim dividend of Ten Cents (10c) per share, payable in Canadian funds, has been declared by the Directors of HALLNOR MINES, LIMITED (No Personal Liability), payable March 3, 1942, to shareholders of record at the close of business February 14, 1942.

By order of the Board.
J. R. BRADFIELD,
Secretary.

Toronto, Ont., January 31, 1942.

Rail Traffic Is Up by 60%

From Our Own Correspondent

MONTREAL.—Railway traffic in Canada is now 60% greater than in the peak year of the last war, R. C. Vaughan, president, Canadian National Railways, told members of the Canadian Club of Montreal.

Physical volume of traffic in 1941 was 17% greater than 1928. Operating expenses were $20 millions, or 8% less than in 1928. Over the same period average earnings per unit of traffic, Mr. Vaughan said, have decreased substantially; so much so, in fact, that if the rates of 1928 had been in effect in 1941, revenues of the National system would have been increased by some $52 millions last year.

Twenty years ago it required 160 lb. of coal to haul 1,000 tons of freight one mile. Today it requires but 110 lb., a reduction of 31%. Had it not been for the greater efficiency, the system's coal bill in 1941 would have been $35 millions instead of $25 millions.

Use Better Equipment

Equipment, too, has been greatly improved.

The average freight car capacity has been increased by nearly one-third.

Locomotives have increased in size and even further in usefulness. The system's largest locomotive of 1914 had a tractive effort of 52,000 lb. Today the largest locomotive has a tractive effort of over 90,000 lb.

In 1914 30,000 miles a year per locomotive was considered reasonable performance; today, it is as much as 125,000 miles.

The average freight train load has doubled.

The average speed of freight trains has increased 70%.

Can Handle More

Discussing the present position of the National System and its immediate outlook, Mr. Vaughan said the Canadian National Railways was still capable of handling substantial increases in traffic, always supposing that requirements for essential materials, in order to operate the railway, continued to be available.

It is possible, Mr. Vaughan stated, as part of the emergency arising out of the war "that we will have to spread our available services and equipment somewhat thinner than the public has been used to in the past."

Can. Machinery In Plastics

Acquires Control Synthetic Resins to Use New Processes

Canada Machinery Corp. has acquired all outstanding shares of Synthetic Resins Co., now operating on a limited scale in Montreal. This plant will be moved to Galt, where Canada Machinery operates.

Synthetic Resins expects to be producing in its new plant by March 1 a full line of basic materials used by the manufacturers of plastics, special coatings for paper and other chemical ingredients used in plastics. Dr. J. B. Monier, native of France and graduate of the University of Paris, is to direct operations. Patents, processes and formulae developed by Dr. Monier will be used.

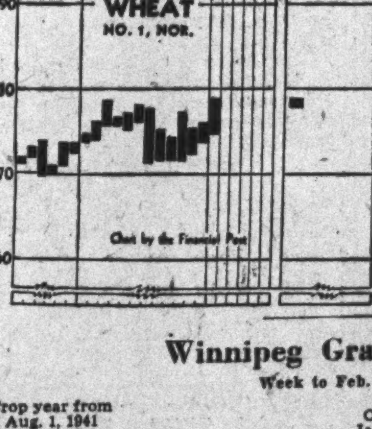
Canada Machinery is expected to report satisfactory results for the year ended Jan. 31. Unfilled orders at year end are about the same as last year. Canada Machinery controls Sandilands Valve Manufacturing Co. as well as Synthetic Resins along with its main machine tool business.

Paper Box Firms Appeal Dismissed

Supreme Court of Canada has dismissed the appeals of three paper box companies against conviction on a conspiracy charge. The original judgment, rendered in 1940 by Mr. Justice Hope of the Ontario Supreme Court, followed an investigation under the Combines Investigation Act. The fines originally levied by Mr. Justice Hope, totalling $161,500, were upheld by the Supreme Court of Canada.

The three companies whose appeal has been dismissed were Container Materials Ltd., Toronto, and subsidiaries; Superior Paper Box Co., Montreal; Acme Paper Box Ltd., Toronto. Nineteen companies in all were found guilty by Mr. Justice Hope.

Wheat Prices



Cash Quotations

	For Week Feb. 2 High	For Week Feb. 2 Low	Prev. Week High	Prev. Week Low
Wheat:				
1 Hard	.78¾	.77⅛	.78¼	.77¼
1 Nor.	.78¾	.77⅛	.78¼	.77¼
2 Nor.	.75½	.74⅝	.75	.74
3 Nor.	.74	.73	.73¼	.72
4 Nor.	.73	.71¾	.72	.71⅝
5 Wheat	.71⅜	.70¼	.70¾	.69⅞
6 Wheat	.69⅝	.68¼	.68¾	.67⅞
Oats:				
2 C. W.	.51½	.51⅛	.51⅜	.50⅛
3 C. W.	.51½	.50⅞	.50¾	.49⅜
Barley:				
1 Feed	.61⅝	.61⅜	.60¾	.59
2 Feed	.60¾	.60⅜	.59¾	.56¼
Flax:				
1 C. W.	1.62¾	1.62½	1.60½	1.60¾
2 C. W.	1.60	1.60	1.60	1.58¼
Rye:				
2 C. W.	.66⅛	.65⅛	.65⅝	.64⅝

Winnipeg Grain Futures

Week to Feb. 2, 1942

Crop year from Aug. 1, 1941 High	Low		Open Jan. 27	High for week	Low for week	Close Feb. 2	Close year ago
		Wheat					
.82¾	.76¼	May	.80¾	.81⅛	.80¼	.80⅝	.77
.82⅛	.77½	July	.81⅝	.82	.81⅛	.81½	.78⅝
		Oats					
.51½	.38⅛	May	.51⅛	.51½	.50¾	.50⅞	.34¼
.51¾	.43⅛	July	.50	.51¾	.50	.50¼	.32⅝
.50	.46⅜	Oct.	.49	.50	.48⅞	.49	.30⅞
		Barley					
.64¾	.49⅜	May	.64⅛	.64¾	.64⅛	.64⅜	.45
.64¾	.55⅛	July	.62⅞	.64¾	.62⅞	.64	.42⅝
.63⅞	.57	Oct.	.62¼	.63⅞	.62	.62	.....
		Flax					
1.64⅛	1.40¼	May	1.64	1.64	1.64	1.64	1.50½
1.64	1.48	July	1.64	1.64	1.64	1.64	1.48⅝
1.64	1.60	Oct.	1.64	1.64	1.64	1.64	1.45
		Rye					
.67⅞	.51¾	May	.66⅝	.66⅝	.66⅝	.66⅝	.48¼
.66⅝	.60⅜	July	.66⅝	.66⅝	.66⅝	.66⅝	.48⅝
.66⅝	.66⅝	Oct.	.....	.66⅝	.66⅝	.66⅝	.....

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How Ottawa Boosts Mine Output

Four Main Methods of Encouragement Employed

While the Dominion Government has hesitated to enter the hazardous business of mining, at least four methods involving government assistance have been used to date to stimulate war production of essential minerals.

Briefly, these methods are:

1. Use of special depreciation allowances—permitting plant to be written off more rapidly than would otherwise be the case.
2. Granting of special tax credits—remitting cost of expansion as a tax rebate over a period of years.
3. Guaranteeing of bank loans to allow mine development and mill construction.
4. Government financing of plant erection with private operation provided.

When war first broke out and the Metals Controller, George C. Bateman, was empowered to encourage expansion of mines—subject to government approval of any capital expenditures—literally an invasion of Ottawa took place with many mine operators seeking government assistance in placing properties in production.

Mr. Bateman stated at that time it was not the government's desire to go into the mining business; government financing was considered out of the question. That was before the German invasion of France, however. In the light of subsequent developments, the Dominion Government has found it gradually desirable to assist or encourage expansion that was necessary to either assist in the financing of the war—through supplying of U.S. dollars—or was viewed as necessary to ensure an adequate supply of raw materials for our war industries.

Initially, supplying of foreign exchange was of paramount importance and special agreements were made with several gold mining companies including Preston East Dome Mines and Matachewan Consolidated with a view to securing a greater production of gold.

Stress Base Metals

With the United States now in the war, however, the need for greater supplies of base metals is being stressed, as base metals will both provide Canada with U.S. dollars and facilitate the U.S. war effort.

War Forced Policy Change

Gold mining companies were the first recipients of special "tax deals" with the Dominion Government, but much larger deals have since been made with several of the base metal mining companies, including International Nickel, Falconbridge Nickel and Normetal, involving both special depreciation allowances (1) and special tax credits (2).

New metal mining producers, of course, continue to secure a three-year exemption from corporation tax. If not renewed, however, this legislation will expire with the end of the current year. It was enacted prior to the war and while it has undoubtedly encouraged expansion of mining, it was not originally instituted as a war measure.

Bank Guarantees Started

The method of assisting growth in mineral production by the Dominion Government bank guarantee was revealed by an Order-In-Council tabled in the House of Commons on Jan. 14. Under this Order-in-Council, it was revealed that the government would guarantee a bank loan of $375,000 to Golden Manitou Mines for the purpose of placing a zinc-gold property in production in the Siscoe-Lamaque area of Quebec. The bank loan will represent part of the financing of that company on whose property a large tonnage of ore has been indicated by work carried out previously.

Government Financing

Government-financed erection of plants has been rare in the mining industry but there are signs that it may become of increased importance as demands for certain special metals are increasing and plant facilities for turning them out are not available. Consolidated Smelters is operating non-profit government-financed plants at Trail, British Columbia and a plant in Alberta. In the case of Canada's new magnesium industry, the Dominion Government is financing a large new plant to be put on the Dominion Magnesium property near Renfrew where magnesium is to be turned out by using a newly-developed process.

Coniaurum Output Holds But Profit Narrowly Lower

While production was slightly higher in 1941 than in 1940, Coniaurum Mines had a small decrease in operating and net profit last year due to higher operating costs and taxation.

Operating profit is estimated at $708,452 compared with $780,031 in 1940. Net profit in 1940 was $391,498 equal to 14 cents a share while 1941 profit after all charges is estimated at slightly over $350,000. After allowing for payment of $443,000 (16 cents a share) in dividends, it is estimated that working capital remains close to $700,000.

During 1941 over $350,000 was spent on development. Work included deepening the Bishop sub-shaft from 5,000 to 5,500 ft. and the cutting of stations at 5,250 and 5,500 ft. depth. Drifting in ore at the lower levels has disclosed additional ore bodies to maintain the strong ore reserve position of the mine.

Diamond drilling below the 5,000-ft. level in the shaft area has returned intersections which indicate three parallel ore structures along a length of 600 ft. Widths and grade in the core intersections are stated to be impressive with important ore disclosures expected. Lateral work on the two new deep levels is expected to be underway next quarter.

At 800 ft. west of the Bishop shaft on the 4,500-ft. level, a crosscut to the south has opened up new ore structure in a quartz carbonate body over widths up to 12 ft. of $9.50 grade. Drifting has been carried to the west in ore a distance of 150 ft. with a probable length of 500 ft. indicated by drilling intersections. Preparations are underway for exploration on the 4,250 and 4,750-ft. levels.

Crosscutting has now been carried 1,000 ft. east of the Bishop shaft on the 5,000-ft. level to explore two ore structures indicated in diamond drilling. Crosscut to the northeast is within 125 ft. of its objective where three drill holes indicated a 150-ft. length of ore.

Additional exploration is now being carried on to the south and east on and below the 3,750-ft. level for depth continuity of the No. 7 ore systems.

Results of operations in 1941 are as follows:

Quarter ended:	Tons milled	Recov. per ton $	Total recov. $	Oper. profit $
Mar. 31/41	46,255	9.65	446,676	178,445
June 30/41	46,985	9.65	457,013	180,744
Sept. 30/41	46,180	10.12	467,620	173,345
Dec. 31/41	47,465	10.37	487,322	175,918
Total	186,885	9.94	1,858,632	708,452

Week in Oils

Atlas-B. D. 2 Success

From Our Own Correspondent

CALGARY.—The "proved area" of the north Turner Valley extension has been pushed still another one and a quarter miles north and west, opening up still more proved acreage for development, by the successful completion last week end of Atlas-British Dominion No. 2. The new completion, financed by sale of preferred net royalties, is located in L.S.D. 4 17-21-3w5, 1¼ miles north and west of the big Major Nos. 3 and 4 wells.

Atlas-Dominion 2 halted drilling on Sunday after drilling 427 ft. into the Madison limestone to a depth of 8,710 ft. Drill-pipe was pulled, and tubing was being run on Monday preparatory to placing the well on initial flow test.

While the well, at this writing, was not actually on production, it appeared certain that it would be a large producer. The upper porous horizon—80 to 90 ft. in thickness—showed quite satisfactory conditions, although presence in the formation samples of considerable foreign matter made it impossible to accurately gauge porosity. The lower porous zone—61 ft. in thickness—included a 46-ft. section showing "excellent" porosity, the highest grading given in Turner Valley. Considerable oil and gas showed up in the drilling fluid, indicating highly productive porous horizons.

• • •

13 Miles of Tests

The Atlas well is the most northerly yet completed in a rich area opened up during the past year or so, following up the strikes made at the former outpost producers, Home Millarville 2 and Alberta Oil Incomes 2.

Completion of Atlas, with its assurance of large production, swings the spotlight northward again to the series of drill-tests now being sunk in a line stretching some 13 miles north and west of present producing limits. Nine wells are now drilling north of Atlas-British Dominion, with several more preparing. While none of these tests are yet deep enough (greatest depth at present about 4,000 ft) to predict accurately where the Madison limestone may be found, the next two or three months should tell whether or not the dream of a great northwest extension stretching far beyond the present producing field will become a fact.

• • •

"Big Three" Test Plains

That section of the central Alberta plains, stretching east from Calgary to the Saskatchewan border, is going to receive more attention from the Canadian subsidiaries of the American "Big Three"—Standard Oil of New Jersey, Standard Oil of California, and the Texas Co.—all of whom are active in this area.

Standard Oil of British Columbia, unit of Standard of California, has now extended its activities some 60 miles north and east of its Princess field operations, and has spudded in its initial test in the Oyen district. The new test, located in L.S.D. 16 34-26-5w4 and known as Oyen-Province No. 1, was spudded in last week. Standard now has two wells, Princess Nos. 2 and 6, on steady production in the Princess area, both fairly substantial producers of 23-26 degree crude oil.

The McColl-Frontenac Oil Co., Canadian subsidiary of the Texas Co., now has its initial test in the Oyen-Cereal area drilling below 3,350 ft., some distance in the Devonian limestone after penetrating the Madison lime, and is making arrangements for a second test in the same area, on the company's extensive holdings. The present venture is located in L.S.D. 4 5-32-4w4, about 40 miles north of Standard of B. C.'s Oyen test.

The Northwest Co., subsidiary of Imperial Oil which in turn is a subsidiary of Standard of New Jersey, is testing its initial Tilley area venture, which recently completed drilling in the Madison limestone at 3,208 ft., and is preparing to start operations at a second venture in the same area. The new test, Northwest-Tilley No. 2, will be drilled in L.S.D. 4 17-17-12w4, about one mile north and east of the initial test.

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B. C. Mines Deputy Sees Gold Mining Hit By War

From Our Own Correspondent

VANCOUVER.—While gold production is being maintained at usual levels in British Columbia, some mine operators are reported uneasy concerning future developments, and the assertion of Dr. John F. Walker, deputy minister of mines, before the mining committee of the provincial legislature did not serve to allay fears.

Dr. Walker said that in his opinion the output of gold in British Columbia might be expected to decline as much as 50% during the coming year or two. Dr. Walker said that the Dominion Government was not encouraging operation of gold mines and while there was no likelihood of a slump in price the mines would be faced with increasing difficulty in getting equipment and supplies.

The deputy minister said he knew of one mine that had supplies for about two months and when they were exhausted the company would close down. He did not specify the company.

Says Base Metals Get Supplies

Priorities are being given to base metal producers and, according to Dr. Walker, the most insistent demand is for copper.

Both Britannia Mining & Smelting Co. and Granby Consolidated, the major copper producers of this province, are operating in full stride, but Britannia's production has been down slightly in recent weeks owing to a development programme.

The stock market reflected the depression in the gold situation, with Bralorne sinking to a two-year low during the past week.

Industry Spokesmen Disagree

Spokesmen for the industry do not agree with Dr. Walker's pessimistic attitude and they are unable to find confirmation of the prediction of a 50% decline unless unforeseen developments occur.

It is thought there is no likelihood of Bridge River production—Bralorne and Pioneer—falling off, and the Sheep Creek, Cariboo and Zeballos areas seem relatively free of impending difficulty. The mines in these areas represent some 85% of the province's gold output.

There will probably be an increase in the yield of placer gold properties, as several new dragline outfits will be in operation during the coming season along the Fraser River and in the Omineca country.

McKenzie Ore Broadens Out

Northeast Sector Continues to Respond—Operating Profit Off

Report of McKenzie Red Lake Gold Mines for three months ended Dec. 31, 1941, indicates:

Continuation of favorable development results in the northeast section of the mine.

Production of $1,000,436 in 1941 ($1,012,551 in 1940). Operating costs (before depreciation and taxes), not over $570,000 in 1941 ($525,000 in 1940).

Drifting north in the northeast sector on the 850-ft. level in the last quarter of 1941 was continued 360 ft. with two ore sections encountered totalling 290 ft. The face is still in ore at a point 2,500 ft. north of the shaft. Raises from 850-ft. level to the 450-ft. level have been completed to prepare this new ore for mining.

Quartz Makes Mill Feed

On the 1,050-ft. level northeast, crosscut was driven a further 228 ft. intersecting a considerable amount of quartz with erratic values. A fair amount of this quartz made mill feed. A drift north in one intersection at the end of the crosscut has indicated 105 ft. of ore. Other intersections are being investigated by slashing and diamond drilling.

On the 1,250-ft. level in the hanging wall of the main shear, the drift north was advanced 296 ft. of which 215 ft. was in ore.

Can. Malartic Profit Higher

Operating Profit Last Quarter Almost Double That of Previous Period

Operating profit of $93,112 realized by Canadian Malartic Gold Mines in the three months ended Dec. 31, 1941, is close to double the $48,562 of the previous quarter and about $7,000 greater than the Dec. 1940 quarter.

Increased operating profit was chiefly due to treating greater tonnage. Mill capacity was boosted from 750 to 1,000 tons daily the latter part of the year and an average of 915 tons of ore was treated daily the last quarter of 1941. Grade of ore at 0.131 oz. was higher in the last quarter.

Production Sharply Higher

Production of $387,424 was secured from milling 84,050 tons of ore in the December quarter compared with $281,011 from 70,121 tons in the preceding three months.

Operating costs the last quarter of 1941 were above those of the first half of the year but some reduction is expected in the current quarter. Principal increase was in stoping costs due to 51,000 tons of ore being broken in excess of mill requirements.

Stoping is now in progress in the Boundary ore body at No. 3 shaft and a new stope is being started about 1,500 ft. east of No. 1 shaft on No. 9 ore body where a considerable tonnage of low grade ore is expected.

Construction in January Shows Sharp Decline

Construction in Canada during January dropped sharply from the same month a year ago, total contracts awarded amounting to $12.8 millions compared with $26.5 millions January, 1941. In December, 1941, contracts awarded totalled $19.1 millions.

Greatest volume of contracts was in the industrial group at $4.6 millions. Business building awards of $4.1 millions included $2.3 millions for army, navy and air force buildings.

Comparison of January figures in the various categories with a year ago compiled by The Financial Post from figures of MacLean Building Reports follows:

January Awards

	1942	1941	—Change—	
	—Millions of $—			%
Residential	2.8	3.4	—0.6	—17
Business	4.1	5.0	—0.9	—18
Industrial	4.6	9.0	—4.4	—49
Engineering	1.3	9.1	—7.8	—86
Total	12.8	26.5	—13.7	—52

Details of January Awards

	1942 $	1941 $
Apartments	216,200	516,500
Residences	2,644,300	2,851,900
Total residential ...	2,860,500	3,368,400
Churches	58,800	41,300
Pub. garages	99,300	383,100
Hospitals	256,000	85,000
Hotels & clubs	94,500	138,500
Office bldgs.	760,400	386,700
Public bldgs.	2,322,500	3,024,200
Schools	2,000	48,500
Stores	174,600	510,600
Theatres	44,600	163,800
Warehouses	290,200	262,200
Total business	4,102,900	5,043,900
Total industrial	4,590,500	9,042,300
Bridges	41,500	410,700
Dams, wharves	830,000	190,900
Sewers, watermains .	233,300	249,000
Roads, streets	118,500	8,249,600
Genl. engineering ...	103,700	25,000
Total engineering ..	1,327,000	9,125,200
GRAND TOTAL	12,880,900	26,579,800

Montreal Collections Set January Record

From Our Own Correspondent

MONTREAL. — Customs-excise collections at the Port of Montreal during January set a new high record for that month at $17,062,717. This was an increase of nearly $3.7 millions, or 21.9%, compared with January, 1940.

The all-time high for a single month at any port in Canada was set in Montreal last October, being $21,566,699.

Acadia Sugar Calls Bonds for Sinking Fund

From Our Own Correspondent

MONTREAL.—Acadia Sugar Refining Co. is redeeming for sinking fund, $24,000 of its 4½% first mortgage sinking fund bonds due Oct. 1, 1955 at 102 and accrued interest. Payment will be made on April 1, next.

Mining INVESTMENTS

Bulolo placer mining operations in New Guinea have been suspended, according to advice received from Sydney, Australia. No further details have been received from the Sydney office but news reports have mentioned Bulolo as a target for Japanese bombing planes.

While Japanese attacks have been taking place on the island there is no indication that Japanese land forces have yet reached the Bulolo operations. Fact that Bulolo's dredges must be reached by air, 35 miles from the coast, suggests that reinforcements may yet reach this area before the Japanese succeed in taking over the island. It is conceivable that Japanese striking power has already been seriously impaired by the attacks on ship convoys.

• • •

Bob Jowsey, Toronto mining man and president of Dominion Magnesium, is visiting Washington in connection with the magnesium recovery process developed by Dominion, it is understood. The United States is expanding magnesium output rapidly and Washington authorities are reported interested in the new process for which the Dominion government will build a $3 millions plant near Renfrew.

Like aluminum, magnesium is a relatively plentiful element, extraction being the chief bar to large-scale production. Dominion Magnesium process—developed by Dr. Lloyd Pidgeon—allows recovery of magnesium from dolomite. The plant near Renfrew will extract magnesium from what is termed a particularly pure deposit of dolomite.

Prospectors say there are all kinds of dolomite in Canada's north country and chances are considered good for finding other deposits which would lend themselves to ready development. Kerr-Addison Gold Mines has a huge ridge of dolomite which is the most outstanding feature of the landscape in its locality. How suitable this and other deposits are for magnesium extraction has not yet been publicly reported.

• • •

West coast mining men would like to see U. S. tariffs removed from copper, lead and zinc. With the United States seeking more base metals from Canada and U. S. domestic base metal producing industry requiring no protection as long as a metals shortage exists, westerners feel that U. S. tariffs on metals are serving no real purpose, and hampering Canadian operators.

Mining and business interests in Nelson, Slocan and Kaslo, feeling they have a real case, plan to make representations to Ottawa and Washington. Sidney Norman, former mining editor of The Globe & Mail, Toronto, has been retained to urge the case of the lead-zinc-silver miners.

• • •

Bralorne Mines, west coast's largest gold producer, has taken an option on the Canadian Tungsten property in the Yukon, and a party of engineers will fly to test the property before the spring break-up.

On Canadian Creek, about 125 miles south of Dawson, the property is reached by a 15-mile overland trip from the Yukon River at Britannia Creek.

There is believed to be considerable gold as well as scheelite on the property. Last season, using crude equipment, panning tests showed an average of $2 per yard in gold. Owing to shortage of water, operations were limited to only three hours a day.

A 2,800-yard bulk test netted $4,200 averaging, after all deductions, $1.50 a yard.

Geological contradictions are inherent in the property. Deposits of ferberite (a tungsten derivative), magnetitic hematite, zircon, molybdenite, tourmaline and rutile have been found in considerable volume.

Naybob Finishing Shaft Sinking

From Our Own Correspondent

TIMMINS.—With its shaft already down to 1,350-ft. horizon, Naybob Gold Mines is expected to reach its objective of 1,500 ft. by end of February.

New levels have been established at 825, 950, 1,075, 1,175 and 1,275 ft. and further levels are scheduled for 1,375 and 1,475-ft.

During sinking, the main shear passed through the shaft section, the station at the 1,275-ft. level being in the footwall porphyry. On the north-easterly dip of the shear, the favorable indicated carbonate zones will lie northwest of the shaft on the lower levels with consequent reduction in crosscutting.

The past year in many respects has been a period of preparation for extensive exploration at depth to get well under way in 1942. The shaft has been slashed out to three-compartment size and a vertical block of 575 ft. has been made available for lateral exploration.

There have been heavy capital expenditures in rehabilitating the mining plant and in addition to the mill. The latter has a capacity of 225 tons and is at present milling around 200 tons daily.

Mining operations to the 700-ft. level have disclosed irregular lenticular ore bodies, occurring in a strong quartz carbonate shear zone. Grade is controlled by frequent inclusions of visible gold. Stope development has proved 400 tons of ore to the vertical foot grading 0.3 oz. gold per ton.

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Average $6 Ton At Jerome Gold

Ontario Department of Mines production figures indicate milling at Jerome Gold Mines has been giving a recovery not far from what preliminary estimates suggested.

From commencement of milling on Aug. 18 to the year end, recovery totalled $338,256 from milling of 56,893 tons—an average recovery of $5.95 a ton. This average was secured despite treatment of low grade rock in initial milling and the usual absorption of gold in the mill circuit.

Prior to milling, average grade of ore was given as 0.189 oz. ($7.28 a ton) before allowance for dilution. Dilution might be expected to run 10% with first recovery running around 90%. In view of these factors, the estimate of ore grade appears to have been conservative. Experiments are now being conducted to improve extraction.

Ontario's Gold Hit By Strike

Output in 1941 Drops From $122 to Less Than $120 Millions

One effect of the Kirkland Lake strike has been a reversal in trend of Ontario's gold production. Output for 1941 was $119,988,051, according to the Ontario Department of Mines, compared with $122,295,579 for 1940 the record gold production year.

In the first nine months of 1941, Kirkland Lake gold production had been running somewhat lower than the corresponding period of 1940. With the strike taking effect Nov. 18, output from the Kirkland Lake area was further reduced, with 1941 ending up 14.99% below the 1940 total.

Larder Lake Goes Ahead

Outside of Kirkland Lake, Ontario gold mining areas showed no marked change except for Larder Lake which was ahead 38.82% and Sudbury whose output reflected entry of Jerome into the ranks of the producers. Porcupine's output increased 1.15%.

Figures for December, 1941, indicate further downward trend in Ontario gold output with the $8,955,274 turned out the lowest monthly production in more than two years. In December, 1940, $10,511,958 had been recovered. December, 1941, of course, was the first full month in which the strike was in effect in Kirkland Lake.

Four New Mines

Four new gold mines were added by the province during 1941. Hoyle Gold Mines, Porcupine area, started with a 450-ton mill. Yama in the Larder Lake area commenced production with a 50-ton mill. Jerome in the Sudbury area started with a 500-ton mill and the 65-ton mill of Goldwood Gold Mines started in the Kenora area. Bonetal started shipping ore to the Broulan mill and ore from the Nakhodas property was treated at Faymar. Seven mines suspended production during the year: Morris Kirkland, New Golden Rose, Straw Lake Beach, Upper Seine, Northern Empire and Howey.

Production of Ontario gold mines with comparative figures are as follows:

Ontario Gold Production

	1941 $	1940 $
Porcupine Belt:		
To Sept. 30	41,559,509	40,642,268
October	4,586,736	4,722,480
November	4,741,507	4,781,898
December	4,744,558	4,882,760
Total	55,632,310	55,029,406
Kirkland-Larder Belt:		
To Sept. 30	20,049,621	29,836,331
October	3,218,128	3,280,222
November	2,463,338	3,196,011
December	1,919,412	3,208,633
Total	36,650,499	39,521,197
Matachewan, Sudbury, etc.:		
To Sept. 30	2,254,930	2,492,183
October	329,744	289,908
November	292,073	264,658
December	289,060	227,754
Northwestern Ontario:		
To Sept. 30	18,464,967	17,826,978
October	1,985,754	2,171,697
November	2,003,221	2,170,033
December	1,994,325	2,190,842
Miscellaneous:		
Jan. to Nov.	83,249	46,345
December	7,919	1,969
Total for Ontario:		
Jan. to Sept. 30	91,393,258	90,830,330
October	10,125,930	10,471,546
November	9,513,589	10,419,136
December	8,955,274	10,511,958
Grand total	119,988,051	122,232,970

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CONTROLS AND FREEDOM OF ENTERPRISE

WAR AND POST-WAR PROBLEMS EXAMINED

by J. A. McLeod

President—THE BANK OF NOVA SCOTIA AT 110th ANNUAL MEETING

In his annual address, which was mainly devoted to a discussion of the business picture and the effects of shortages and controls on economic life, Mr. McLeod also made the following remarks:

"Businessmen, at any rate, must be acutely aware that we are rapidly developing a fully-controlled economy. Foreign exchange control, the excess profits tax, the price and wage ceiling, and the rapidly growing number of direct controls and regulations are among the steps toward a greater and greater degree of economic regimentation. Few like such regimentation for itself, but nearly everyone recognizes the necessity of widespread controls in these times of emergency, and it should be emphasized that the business community generally has not only accepted them with good grace but has actively co-operated in making them successful.

J. A. McLEOD

"There is, however, a very natural tendency to take the view that all these wartime controls should be removed just as soon as victory is won. I suggest to you that this is not a realistic view. Does anyone think that we shall have 'our house in order' the day that the 'cease fire' order is given? Does anyone believe that the danger of inflation will have passed? Certainly our experience and that of Great Britain and the United States after the last war does not suggest such a conclusion. Indeed, much of the inflation attributable to the last war occurred in the year and a half following the cessation of hostilities.

"In Canada, the wholesale price index, which had risen by 107 points during the war, rose by a further 50 points from November, 1918 to May, 1920; and the cost of living index, the wartime increase of which had been 57 points, advanced by an additional 38 points in the same post-war period. There is no good reason to believe that the situation will be fundamentally different at the close of this war. Our economy will be geared to war and a huge readjustment will be necessary. There will be a large pent-up demand for civilian goods and services which will not be capable of fulfilment until the machinery of peacetime industry has had time to resume production. If all the controls were to be suddenly removed we might well face a chaotic situation.

"In saying this I do not wish to create the impression that the controls developed in wartime should be, or are likely to be, continued indefinitely. It is highly desirable that they be removed as rapidly as is possible without adding to our economic problems. I do suggest, however, that the problem of post-war readjustment cannot be met by the old slogan of 'business as usual.' Business will be anything but 'usual' and Government policy will of necessity play a major role in the process of readjustment from a war to a peacetime economy.

"While it is recognized that the state may well play a larger part in the sphere of economics than in the past, most of us hope for a return of a great measure of freedom of individual enterprise, believing it to be a desirable and indeed essential condition of democratic society and progress. Freedom of enterprise in Canada will depend greatly upon the ability of the United Nations to establish such an economic and political structure as will enable the nations of the world to trade together to their mutual and lasting advantage. If such basic conditions of international order and trade can be established, Canadians can reasonably look forward to social and material betterment in post-war years and to a removal of most of the present controls and restrictions on economic activities."

American Paper Mills Increase Operations

From Our Own Correspondent

MONTREAL. — Operations of paper mills in the United States for the week ended Jan. 24 continue climb back by fractional steps to th peak level of December, accordin to the American Paper and Pu Association. The figure for the wee was 104.1% of capacity, as agai 103.9% in the preceding week.

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TWENTY-NINTH ANNUAL REPORT
OF
The Waterloo Trust and Savings Company
ASSETS AND LIABILITIES
December 31st, 1941

ASSETS

CAPITAL ACCOUNT		
Office Premises, Waterloo and Kitchener, including Safe Deposit Vault, etc., and fixtures, Galt and Preston		$ 195,108.39
Other Real Estate		263,400.78
Mortgages	$ 305,890.97	
Interest due and accrued	8,343.24	
		314,234.21
Loans on securities including $36,042.63 against Company's own stock		133,181.55
Dominion and Provincial Gov't Bonds	300,249.13	
Canadian Municipal Bonds	11,312.24	
Other Bonds and Debentures	121,072.57	
Stocks	18,405.63	
		451,039.57
Other Assets		78,474.64
Advances to Estates under Administration		39,688.53
Cash on hand and in banks		50,792.63
		$1,525,920.30
GUARANTEED TRUST ACCOUNT		
Mortgages (including agreements for sale $204,347.00 covering mortgaged properties sold)	6,485,011.81	
Interest due and accrued	117,720.81	
		6,602,732.62
Dominion and Provincial Gov't Bonds	1,927,883.04	
Dominion and Provincial Gov't Gtd. Bonds	214,254.72	
Canadian Municipal Bonds	1,000,191.47	
Other Bonds and Debentures	474,181.90	
		3,616,511.14
Stocks and Accrued Dividends		211,138.53
Demand Loans against Securities		51,631.63
Cash on hand and in banks		875,775.71
		$11,357,789.63
ESTATES, TRUST AND AGENCY ACCOUNT		
Mortgages		$ 729,734.85
Bonds		2,445,116.50
Sundry Trust Investments		209,321.46
Inventory value of unrealized Estate Assets		4,542,198.47
Cash on hand and in banks		338,075.20
		$ 8,264,446.48
		$21,148,156.41

LIABILITIES

CAPITAL ACCOUNT	
Capital (Paid up)	$1,000,000.00
General Reserve	200,000.00
Investment Reserve	200,000.00
Dividend Declared (Paid Jan 2/42)	25,000.00
Provision for Gov't Taxes and Contingencies	75,000.00
Profit and Loss	25,920.30
	$ 1,525,920.30
GUARANTEED TRUST ACCOUNT	
General Guaranteed Investment Receipts	$ 4,113,795.19
Trust Deposits	7,243,994.44
	$11,357,789.63
ESTATES, TRUST AND AGENCY ACCOUNT	
Trust funds for investment	$ 3,682,559.48
Advances from Capital Funds	39,688.53
Inventory value of unrealized Estate Assets	4,542,198.47
	8,264,446.48
	$21,148,156.41

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A Bottle-Neck in Industry

According to safe estimates, about 75 per cent of the audits of the annual accounts of Canadian corporations are done in the three months immediately following 31st December. With the shortage of trained accountants now being experienced in Canada, the seriousness of this condition was never before so much in evidence. Why this bottle-neck in industry?

An important decision to be made at every company's incorporation is the choice of a fiscal year and the closing date for its annual accounts. With little thought of the nature of the business of the new firm and of whether or not another date would be more logical, the 31st December is the one chosen usually by the solicitors of the incorporators. Since every industrial company has its natural business year, this choice for its year end may be a most unfortunate one.

The natural business year of an enterprise is the period of twelve consecutive months which ends when the business activities of the enterprise have reached the lowest point in their cycle. For instance, a natural year end for a grain company would be 31st July; a cordage company, 31st August; meat packers, 31st March or April; a bread company, 30th June, July or August; and a carbonated beverage manufacturer, 30th September.

In the interests of economy and efficiency for corporation executives throughout the Dominion, the chartered accountants of Canada have encouraged the adoption by companies of their natural business year as their fiscal year. That year end may be the last day of any month.

Through amendments to the *Income War Tax Act*, the Dominion government has recognized the significance of the natural business year and has made possible the filing of income tax returns in accordance therewith. The question may now be asked: Since the Dominion authorities are undertaking so great control of industry, may we expect the government in the interests of economy to direct by order in council the fiscal year of those companies where the year end is an obvious one?

One of a series of brief discussions of the work of the professional accountant.

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Canada Looks To Its Iron Possibilities

Several Deposits Dispel Old Notion of "Iron Poverty" North of Boundary

By GORDON M. GRANT

Twenty years ago, little or no high grade iron ore was known to exist in Canada—and little chance was conceded by many important voices of Canada ever developing any, due to degree of glaciation in Canada.

Plenty of low grade iron ore was admitted to exist. But no one wanted low grade ore when huge deposits of hematite—high grade iron—had been developed in Minnesota.

One writer stated that however remarkable it seemed, the international boundary divided riches from poverty as far as iron was concerned.

But the situation today is much different. Deposits of hematite iron ore have been disclosed by diamond drilling at widely separated points. And the important question of a market has apparently been settled at least for the time being. The Metals Controller has asked Canadian mining companies to search for iron deposits and with steel capacity being stepped up in the United States, American mines are being strained to supply both American and Canadian demands.

Now Only Producer

Algoma Steel is at present Canada's only producer of iron ore, but if the war lasts for long, others appear likely to reach production. Taking British North America instead of just Canada and possibilities of a great production of iron ore are impressive.

A fair tonnage of hematite was mined from the Helen mine in the Michipicoten area in the last war. Until recently, however, it was thought that hematite resources in the Michipicoten area had been exhausted. Production from Algoma Steel's new Helen mine has such a beneficiated siderite or lower grade ore. Few people know that in other days, hematite showings had been disclosed at other Michipicoten mines—and in the Atikokan area.

Today the situation is remarkably changed. A new hematite deposit has been exposed in the old Michipicoten area. Steep Rock Iron Mines has outlined in drilling large tonnage of high-grade iron ore under the waters of Steep Rock Lake and ways of getting out this hard-to-mine ore are being studied. The idea that there is no hematite iron ore in Canada has been effectively exploded.

Others are Hinted

A new survey of the general Steep Rock area by T. L. Tanton of the Geological Survey, Dominion Department of Mines, suggests Steep Rock Iron Mines may have no monopoly of the hematite ore resources of the area. Four areas are mentioned where conditions are similar to those where the Steep Rock deposits have been found and at one place—Strawhat Lake—the report notes that three old drill holes bored in 1902 and 1909 did cut hematite iron ore.

Back in Michipicoten, renewed exploration by Sherritt Gordon Mines and associated interests, has disclosed a "very substantial tonnage of siliceous hematite." Tests have indicated a satisfactory concentrate can be turned out and a shaft is to be started to explore the deposit underground.

For many years, Labrador has been known to possess substantial indicated bodies of hematite iron ore. With the United States possessing adequate supplies of more accessible ore, however, these deposits have lain fallow—something for opening up in the future although tremendous potential water power resources are available in the area in an undeveloped state.

Transportation of the ore, once mined, has been a factor in preventing development of the deposits. Hollinger Consolidated Gold Mines is reported interested in financing Labrador Exploration Co. in recent months and a thorough investigation of the Labrador Exploration Co. deposits may result. An interesting characteristic of at least some of the Labrador Exploration Co. hematite is a considerable content of manganese—one of the strategic minerals essential in steel making but which is found in relatively small quantities in North and South America.

Belcher Island iron resources have been reinvestigated since the outbreak of the present war, but little is known about any present plans. The Belcher Island deposits are near Hudson's Bay, more inaccessible than the Labrador Exploration Co. deposits. In December, 1940, the Mines and Geology Branch of the Dominion Department of Mines and Resources, made a test of hematite iron ore from Belcher Islands for the Dominion Fluorspar Co., Madoc, Ont.

Gunflint Prospecting

In Ontario, in addition to work already mentioned, exploration has been carried on recently on the Gunflint range, the eastern extension of the United States Mesabi range, the largest iron-ore producing range in the world. So far no important new showings are disclosed. Extending east from Gunflint Lake is the same type of rock as the Mesabi range in Minnesota, suggesting that the Steep Rock deposits near Atikokan are an extension of the Mesabi range. That iron ore is not something new even for Atikokan is indicated by an old 1920 report in The Financial Post files which reads as follows:

"On the Atikokan range, east of Sabawa Lake, the Atikokan Iron Mines have proved by development and diamond drill some 10 million tons of ore averaging 55% iron, 2% sulphur and .1% phorphorus. They have shipped up to date 86,433 tons running 59.85% iron, 2% sulphur and .11% phosphorus. West of Sabawa Lake some 15 million tons of high sulphur ore has been demonstrated by drill averaging 55% iron, 13% sulphur, and .05% phosphorus. A test shipment of 400 tons analyzed after roasting: 65.35% iron, .02% phosphorus, 3.44% silica and .59% sulphur, which is a very excellent example of what beneficiation can do to an ore."

Near Sudbury, the Moose Mountain iron deposit has attracted new attention in the combing over of iron resources.

B.C. is Concerned

On the British Columbia coast, the proposal of a west coast steel industry has been given some discussion during the present session of the legislature. The recent McKee report, whose detailed contents have not yet been published, is known to have favored the steel enterprise under certain conditions and officials of the department of mines report that negotiations are already under way with financial interests looking to the establishment of a small plant that might start with scrap metal and within, say, two years, be able to produce pig iron from native ores.

There is said to be an abundance of iron ore on this coast, with a supply of lime and suitable coke on Vancouver Island.

At Zeballos on the island's west coast one million tons of magnetite iron ore is reported in sight, with large deposits on Texada Island and at Quinsam.

There is enough ore in evidence, according to Dr. John F. Walker, deputy minister of mines, to maintain a production of 60,000 tons annually for half a century or more.

Ore shipped out of the country for treatment is worth only about $5 a ton, whereas it would bring $20 as pig iron and $70 as steel.

As for power possibilities, Dr. Walker claims that Campbell River could develop a considerable amount of hydro-electric energy at $13.25 a horsepower unit. The largest prospective development is on the Chilko River, which is said to be capable of producing power at $9 per horsepower unit. This would require the expenditure of $30 millions, according to government estimates, and take four years to complete.

These Are Our Iron Mines Present and Potential

ALGOMA STEEL CORP. — Canada's only current producer of iron ore. Now turning out approximately 450,000 tons of iron ore sinter a year.

MICHIPICOTEN IRON MINES — Formed by Sherritt Gordon Mines and associates to operate the Josephine property. Drilling has indicated siliceous hematite iron ore to depths of at least 1,000 ft.

STEEP ROCK IRON MINES — Has indicated large tonnage of hematite iron ore below waters of Steep Rock Lake, near Atikokan, Ont. Six drills now at work further outlining deposits.

LABRADOR MINING & EXPLORATION CO. with large deposits in Labrador is reported to be negotiating a financing deal with Hollinger Consolidated.

BRITISH COLUMBIA—With a west coast movement afoot for establishment of a B.C. steel industry, provincial iron ore possibilities are getting new investigation.

WABANA IRON MINES — By far the largest source of iron ore in British North America. Hematite iron ore is mined from submarine deposits off Newfoundland with a large part of it going to Nova Scotia.

Mining Concentrates

Ainsmore Mines was incorporated with Ontario charter Jan. 13, 1942. Authorized capital 50,000 no par common shares. Head office Toronto.

• • •

Bralorne Mines is reported to have found tungsten in its gold-bearing veins. Waste material from the mine is being examined with view to recovering the war metal in its raw shape as well as by flotation and gravity process.

• • •

Consolidated Smelters is now turning out tungsten from its Red Rose mine near Vanderhoof, British Columbia.

• • •

Douglas Mountain Manganese Mines was incorporated with Ontario charter Jan. 13, 1942. Authorized capital is 500,000 shares of $1 par value. It is understood it will take over a manganese prospect at Douglas Mountain, N. B. Financing interests are reported as those which financed Nablo Manganese to production.

• • •

Lake Rose Mines has called a special meeting of shareholders for Feb. 16 to secure approval to appointment of a liquidator and winding up the company. Net current assets are around $40,000 with shareholders expected to receive about 2 cents a share on winding up.

• • •

Louisiana Land & Exploration Co. reacquired 2,200 shares of its capital stock in December. At the end of 1941, 37,248 such shares were held.

• • •

Noranda Mines has declared a regular quarterly dividend of $1 a share payable Mar. 17, 1942, to shareholders of record Feb. 20. Dividends have been maintained at the rate of $4 a share per annum since Mar. 15, 1939.

• • •

Ontario Department of Mines has issued a report on the Missinaibi area, Sudbury District, by E. L. Bruce. Area is found to be unusual, all gold-bearing veins lying entirely in granitic rocks. Some quartz veins were found in quartz porphyry but as yet none have been found to be gold-bearing. Favorable conditions for ore formation seem to depend upon a considerable variety in the granitic rocks, it is suggested.

• • •

Pontiac Rouyn Mines in its 1941 report states sufficient work has been completed to allow patenting the company's claims which will be done. Balance sheet shows current assets of $2,019 cash, 200 shares of Dome Mines with no current liabilities. Authorized capital is 3 million shares with 2,565,161 shares outstanding.

• • •

Privateer Mine has nearly completed the long crosscut to explore its Prident property at depth from the main workings. The tunnel will be over 1,180 ft. long when completed. First work in the Prident sector will be toward locating downward extension of the main Prident vein, already developed on the 400, 500 and 600-ft. levels. Crosscut will enter the Prident ground 250 ft. below the 600-ft. level. Once the vein is located, a raise will be driven to connect with the upper Prident workings. This will enable drawing ore from Prident by gravity haul direct to the Privateer mill.

• • •

Upper Canada Mines has declared a dividend of 3 cents a share, payable Mar. 2 to shareholders of record Feb. 16. Last previous dividend was 3 cents a share on Dec. 10, 1941.

• • •

Waite Amulet Mines has declared a dividend of 10 cents a share, payable Mar. 10, 1942, to shareholders of record Feb. 14. In 1941, dividends of 10 cents a share each were paid on June 16 and Sept. 10 and 20 cents on Dec. 10.

Moneta to Mill Over Year More

See Enough Ore to Continue Into 1943—Grade Will Be Lower

From Our Own Correspondent

TIMMINS.—With stoping above the second and first levels in recent months opening up materially greater ore widths than indicated in previous development, Moneta Porcupine Mines is now expected to continue production until well into 1943 although naturally there will likely be some decline in average grade and tonnage of ore milled.

The greater ore widths than previously anticipated have been more pronounced in the north zone where ore widths of up to 40 ft. of mine average grade have been disclosed.

Extensive lateral exploration to depth, together with diamond drilling to the west, have not met with success in disclosing new or additional ore structures. An aggressive programme of exploration is being carried on for an outside property of merit but no definite success has been met with so far.

Working capital as at Mar. 31, 1941, was $1,120,974. Indications suggest this figure will be increased to $1.4 millions by the end of next March. This will place the company in a strong treasury position in its effort to find a new property.

An interest is held in Dominion Magnesium Co. which will operate a magnesium recovery plant being erected by the Dominion Government near Renfrew, Ont. Dominion Magnesium owns rights to the recovery process which has been developed.

Prospecting a War Industry Says Association Head

"In a war whose outcome depends on production of essential minerals, in ever increasing quantity, it seems to me to be of the utmost importance that prospecting should rank among our most vital war endeavors and be treated as such." This is the view expressed by George A. MacMillan, president of the Ontario Prospectors and Developers Association, in his report to members for the year 1941.

"As everyone should know," states Mr. MacMillan, "all mines are wasting assets and even in times of peace it would seem only a matter of common prudence in a country that leans so heavily on its mineral production to ensure an unremitting search for new ore bodies.

"The war has been in progress two and a half years. We have been reminded again and again that this is a war of machines and of metals to make machines. We are constantly warned of present and impending shortages in essential metals and minerals and we are looking forward to encouragement and guidance from both the Federal and Provincial Governments which will induce prospectors to search for deposits of these 'strategic' metals."

Reviewing the association's activities in the past year, Mr. MacMillan points out that a ruling with respect to the income war tax and the excess profits tax was secured in 1941 from the Dominion Government, which exempts bona fide prospectors from the terms of these acts in relation to the consideration received from the transfer or assignment of rights in a prospect. Such consideration is now regarded as capital increase, and therefore not subject to tax under those acts.

Attention is drawn to another matter coming up in the legislative field which the association is opposing. This is a proposed amendment to the Municipal Assessment Act, which, if adopted, will empower municipal taxing bodies throughout the mining areas of Ontario to assess and tax mining rights as well as surface rights.

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(Market Value Exceeds Book Value)
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SURPLUS $1,019,582.05
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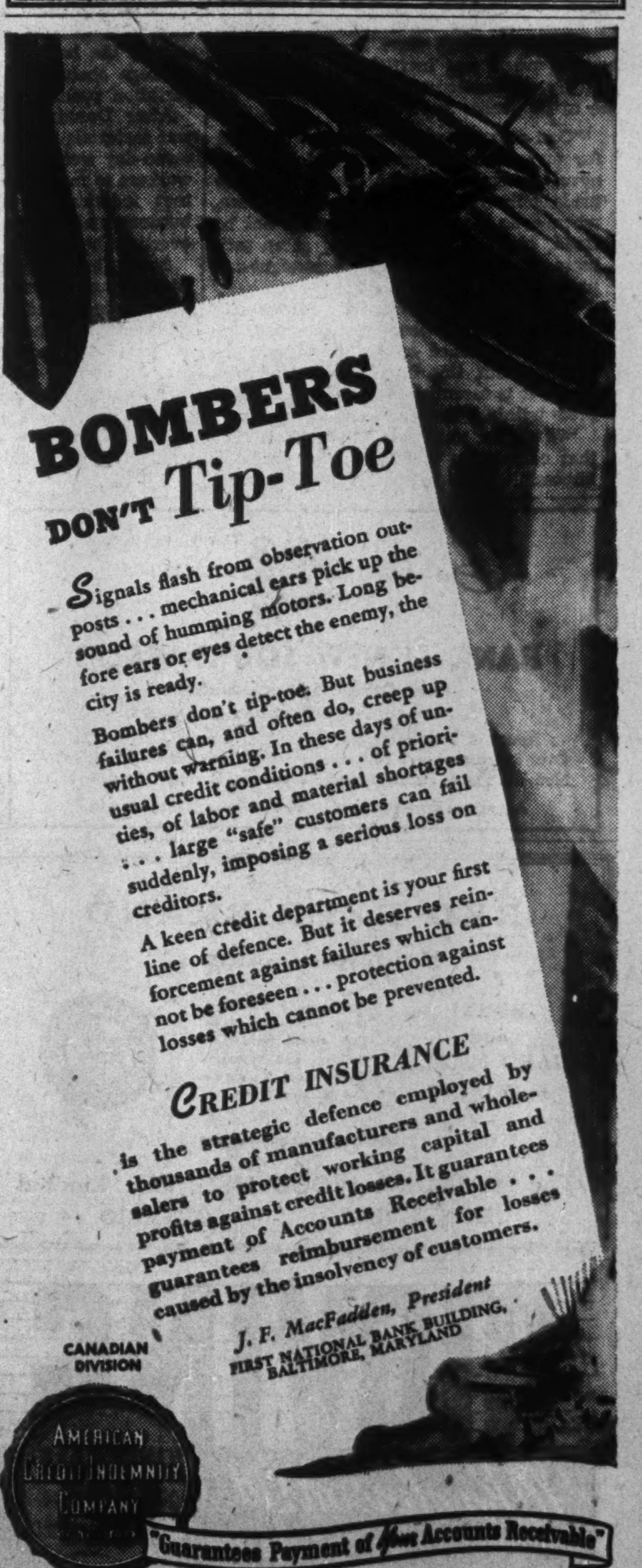

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Watchdog of Britain's War Effort, Commons Committee Battles Waste

By FLOYD S. CHALMERS
Editor, The Financial Post

LONDON—For over two years Britain has had a watchdog to guard its war effort.

This watchdog goes by the rather formal and cumbersome title of the Select Committee on National Expenditure. It was appointed by the House of Commons in December, 1939, and has been reappointed at each succeeding session.

There are 32 M.P.'s on the committee. They are almost continuously at work—usually in small groups or sub-committees—studying the manner in which the country's war funds are being spent.

Every few weeks the committee makes a report to the Parliament. Many of them have been devastatingly critical of government policies or of individual war contracts.

To date 39 reports have been issued. Any one who wants to read them can obtain them from H. M. Stationery Office at between a penny and a shilling a copy, depending upon the size. Thus the committee serves to keep the taxpayer and citizen in Britain, as well as Parliament, informed on how the government is running the war.

Thorough and Tough

The chairman of the committee is Sir John Wardlaw-Milne. I had a long talk with him about his work. He impressed me as being both thorough and tough.

Britain is spending upward of £12 millions a day on the war. The figure is rising steadily. The opportunities for waste and extravagance are manifold. No one in Britain wants less money to be spent; but everyone wants the money that is being spent to produce full value in fighting strength.

Even more important everyone wants to insure against the waste of materials, transported at great risk across the seven seas; or of labor, which is the most serious bottleneck in Britain's whole war production.

By ferreting out waste and inefficiency, and bringing it to light, the Committee is helping Britain to achieve maximum effectiveness in the money and energy it expends upon the war.

The committee's 39 reports have been filled with helpful—if often bitingly critical—suggestions. Whenever the committee makes a recommendation, the House of Commons sends it over to the department or public office concerned. It asks for an answer. When the answer comes back it is also published. Sometimes the answer is a reasonable explanation of why the recommendation cannot be accepted.

Thus Britain is already getting high value for the work of the committee.

Fights "Cost-Plus" Contracts

What is the character of the recommendations that have been made? They are so numerous in type and so wide in scope that only a sample few can be quoted.

The Committee has battled consistently against the "cost-plus" system of payment for work done for the government. It has quoted chapter and verse to show how it leads to waste and inefficiency. It has repeatedly emphasized the views expressed in one of its earlier reports:

> "Cost-plus contracts should not be made for any work on product which is not novel in character, and should then be made only for the experimental phase, when even a maximum price can not be fixed, as a means of arriving at an estimate of what continued or straight-run production is likely to cost.
>
> "There may, however, be a few wholly exceptional cases where cost-plus methods must be condoned on ground of extreme urgency, but this only applies to work which it is essential to begin **and to complete** within a matter of days.
>
> "When the nature of the work is such that completion within a short period is impossible, the cost-plus method is more likely to delay than to expedite delivery, and is certain to increase costs."

Not only has the committee exposed and criticized cost-plus contracts (even cost-plus a fee contracts) but the chairman in a newspaper interview stated that the system "is undoubtedly the biggest cause of waste in war expenditure today."

Penny Wise—Pound Foolish

The committee has had a number of other things to say about costs and profits. It has criticized a tendency on the part of government officials to seek to pare a fraction of a farthing off the profit a firm may make on an article while overlooking the larger element of excessive costs due to bad planning.

"Profit in some cases," said the committee, "may be only a fraction of the total price of an article; and a far greater economy may be achieved if waste is eliminated from the total cost of the product."

Another governmental practice that has come in for criticism is the tendency to issue appeals to workers to go "all out" in production while at the same time issuing optimistic reports on the progress of the war or the output of weapons.

Don't Want Rhetoric

In one notable report on the problems of absenteeism, laggard work, etc. in industry, it said:

> "The will to win is not in question. No nation was ever more united. It follows that attempts to stimulate output by mere appeals to patriotism are unnecessary and all witnesses agreed that the workpeople do not want mere rhetoric.
>
> "Propaganda for this purpose must do two things. It must make people realize the urgency of the need for output on the one hand, and the importance of their individual contribution to supplying that need on the other.
>
> "As to the former object, propaganda has in the past been most unfortunate. At the very time that employers were being urged to increase output by every possible means, political leaders of the nation were painting a rosy picture of the output of munitions and congratulating the workpeople on their efforts.
>
> "Such speeches obviously make for complacency. If workpeople are to be stimulated to further efforts it must be demonstrated to them that there is a real need for ever greater output."

Perhaps the most valuable of the committee's reports have been those that have dealt with the problems of wartime labor. Members of the committee made exhaustive studies of the man power problem. Their reports were urging more aggressive handling of the problem long before the government got around to the Churchill-Bevin plan for complete mobilization of the human resources of the nation.

Seeks Improvement

The committee has also sought to find ways of improving working conditions, including the housing and feeding of factory workers, their hours of labor, their transportation problems, etc.

After Dunkirk, every factory producing war materials went on a 24-hour day and a seven-day week. But there were not enough workers to man three-shifts. The result was that individual workers were putting in burdensomely long hours—as much as 22 overtime hours in a single week.

Study by the committee revealed that these long hours and holidayless weeks brought increased output for only a couple of months. Then output began to fall. Absenteeism became common. Men and women arrived late for work. The worker's health was threatened. Sunday labor led, in some cases, to workers taking a day off in the middle of the week, when, of course, they lost only an ordinary day's pay for it.

Britain reduced factory hours and got increased output in consequence. Only in specialized branches of industry, where long hours have always been common are there many women working more than 48 hours or men working more than 50 to 52 hours.

Charge Lack of Planning

There has been much criticism of the lack of centralized planning of war production. Britain has a Minister of Supply but it buys only for the army. The Air Force and the Navy have separate buying organizations. Often there is competition between them for the same labor or the same materials. The committee cited one case where three separate departments were concerned with a project. Each had its supervising engineer on the job. There was no one man in control. The committee pointed out the dangers of such practices and added:

> "No firm in the ordinary way of business would undertake a constructional scheme of this magnitude and complexity under such conditions. Their first step would surely to be appoint one man who would be in supreme charge of the work on the site . . ."

The committee has not gone out after economy as such. It has, rather, worked on the assumption that if inefficiency can be weeded out, if efficiency can be promoted, then maximum economy will be the natural result. It has, in fact, made suggestions for increases in expenditures. One such recommendation was that a higher salary scale should be established for managers of Royal Ordnance Factories, where the scale laid down by the Treasury was inadequate to attract good men.

Educational work to remove misconceptions in the minds of workers about ,the supposedly exorbitant profits being earned by industry should be done, it was recommended. "If it were explained," said the committee, "how the Excess Profits Tax prevents employers from profiteering, a possible source of demoralizaion would be removed."

All Hearings Secret

All hearings of the committee are secret. This achieves two purposes. One is to ensure that the committee will learn all the facts, without possible leakage of vital information to the enemy.

The second is that the committee's meetings do not become—like so many Public Accounts and Special Committees at Ottawa—a political forum where political opponents carry on primarily for the benefit of the voters back home. In fact the party spirit has been entirely lacking in the deliberations of the committee, Sir John told me.

The Committee is a creature of the House of Commons. It has power to call any one in the Kingdom as a witness and to demand production of any documents.

The reports are made directly to the House of Commons and are printed. No member of the cabinet or any government official has the right to "vet" any report before it is made to the House.

On the other hand, the Committee does sometimes short-circuit the House where it is deemed that publicity regarding a certain situation would not be helpful. In such cases a private report is made to the Prime Minister. If no action follows, then the committee reserves the privilege of so reporting to the House.

Members of the committee have travelled all over Britain. They have visited hundreds of plants, air station sites, army camps, shipbuilding yards, etc.

The existence of this effective watchdog on Britain's war treasury has been a most important factor in promoting efficiency in the whole war effort and in saving the country many tens of millions of pounds. In addition, it has greatly improved the conditions under which employers and employees operate.

London Calling
by Adelphi

LONDON.—There will be a strong attempt to break down the ruling that no speech can be broadcast directly from the British House of Commons. An incident that will add fuel to the flames is the one that happened just before Japan came into the war.

Churchill had given a long review of the war situation early in the day to the House of Commons. It was announced that at 9 p.m. he would speak to the nations from the B.B.C. No one is so meticulous as Mr. Churchill in preparing a speech. He leaves nothing to chance but rehearses every sentence and studies every effect. However, the anxieties of the day became so great that he had no chance to prepare his wireless address and merely repeated, with a few alterations and additions, his speech made earlier in the House. He was so weary toward the finish that every word was an effort. The result was that the speech which had been first rate in the House was thoroughly depressing at night.

* * *

Born With a Silver Cliché

The visit of Anthony Eden to Moscow has brought that still young man right into the foreground of the political picture. A Gallup survey gave him 50% of the votes when deciding who would succeed Churchill in case anything untoward happened to him.

Eden is a tantalizing figure. He has drive, and a good brain, but has been with the Foreign Office so long that he cannot drop the stilted phraseology of diplomacy when making a speech. An attack by Germany on Russia, or a wife throwing a tea kettle at her husband would be an act of "unprovoked aggression" to Eden. He is aware of this but the urge of the stilted phrase is there like original sin. He has gone a long way, however, from the day when someone said of him that he was born with a silver cliché in his mouth.

* * *

Courage and Judgment

Eden has a fine record of courage and judgment in this war. He played a big part in the Cabinet decision to reinforce Wavell when the defenses of Britain were perilously slim. He defended Wavell when strong influences were at work to displace him. He urged sending assistance to Greece because it would have been a crime against history not to do so. Now he has repeated his success of 1935 in Russia. In all these ventures he has flown in every kind of weather and has emerged fresh and vigorous.

The Conservatives do not look upon him with too much favor but he has a large moderate following in every section of the country. This is because of his old League of Nations affiliations although, with the rise of the dictators, he took a strong line of policy. If you are looking for a political investment you could do worse than pick up a few Anthony Eden ordinaries.

* * *

Will Be Top Man

Informed opinion still gives Max Beaverbrook the real credit for establishing intimate contact with Stalin. There is no question that Stalin, the super-Communist recognized a fellow creature when he gazed upon the broad head of the former super-financier of St. James Street, Montreal. Stalin is a collectivist, Beaverbrook an individualist; Stalin is a confiscationist, Beaverbrook a capitalist; Stalin is for controlled opinion, Beaverbrook is for everyone having his say.

And when they met they were as one. The Conservative Party admires Max but does not understand him. The Socialists like him but are afraid of him. The Liberals know that he is neither Conservative nor a Socialist and wonder if by any chance he is one of them.

Let's venture on a prophecy. Some time during 1942 Beaverbrook will be made supreme Minister of Production.

* * *

No Firebrand

Everyone is still gasping over the article in the Melbourne Herald by the Australian Premier ,Mr. John Curtin. This slightly built, bespectacled West Australian is anything but a firebrand or an isolationist. Early in the war his slogan was "The last man and the last shilling for Britain." At the same time Mr. Curtin is or was a journalist by profession which means that he is a realist as well as a sentimentalist.

Over here we do not allow Ministers of the Crown to write for newspapers and certainly one cannot see any necessity for Mr. Curtin turning to the press for a platform. But the virus of journalism dies slowly and a man who has used his pen is always in danger of backsliding. Australians in London, however, assure me that he never meant any weakening of the Imperial ties when he declared that Australia would look to Russia and America for supreme direction in the Pacific and "co-operate with the Dutch, the British and the Chinese." It might have been more delicately put, but only a fool would doubt his loyalty or, to make the worst pun of the war, cry "Ring down the Curtin!"

* * *

Bennett Suggested

Forecasters on the creation of an Empire War Cabinet, suggest Sir Earl Page and Stanley Bruce as likely candidates from Australia while Viscount Bennett is suggested for Canada. Bennett is greatly admired here and is in wonderful form but it is difficult to see Mr. Mackenzie King appointing as his most trusted servant in London, an opponent who fought so bitterly against him.

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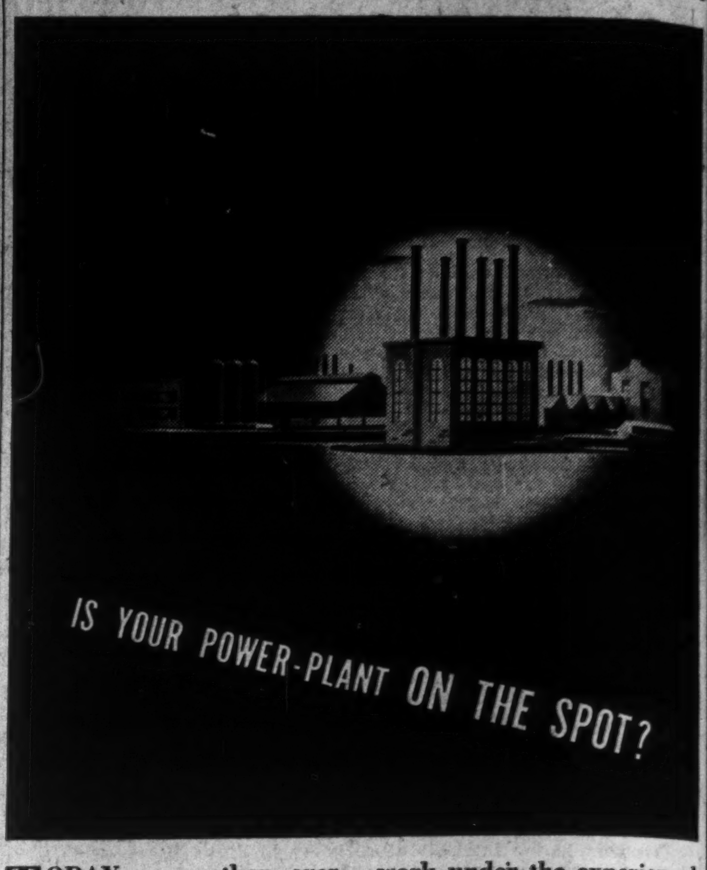
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Howe Praises Otis-Fensom

"One of the most successful and skilfully managed munitions plants in Canada," is the way Hon. C. D. Howe, Minister of Munitions & Supply, recently characterized the Otis-Fensom Elevator Co. at Hamilton.

Mr. Howe specifically denied reports that the government had any intention of taking over the plant or appointing new managers, and maintained that the management requires no strengthening in any way.

Mr. Howe's statement followed a report that Chrysler Corp. men were going to be called in to aid in management of Otis-Fensom.

Mr. Howe states output of Bofors gun barrels in the last quarter of 1941 was doubled and thousands of gun barrels have been turned out to date.

Methods Good

Otis-Fensom was the first plant in Canada to produce gun barrels, starting production in 1940. Last autumn the first complete anti-aircraft gun and equipment was produced, a job presenting great difficulties.

Mr. Howe's statement concludes as follows:

"Because of the progress which the company has made, many of techniques employed at the Hamilton plant are being adopted by new United States plants engaged in similar production.

"I am gratifed that this important munitions plant has thus received the recognition which the efforts of its management and its personnel have well deserved."

U. S. Cellulose Acetate Output Higher in 1941

From Our Own Correspondent

MONTREAL. — Cellulose acetate production in the form of sheets, rods and tubes in the United States amounted to 6.2 million lb. in 1941, as against nearly 8.9 million lb. the year before. On the other hand, molding composition output at 28.8 million lb. compared with 13.5 million lb. the year before.

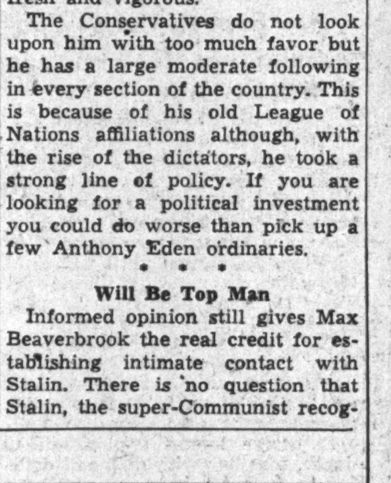
Canadian SKF Company Celebrates 25th Anniversary

Vast Expansion of Business Parallels Growth of Canadian Industry

The history of the Ball and Roller Bearing business in Canada may be said to parallel the Dominion-wide activities of the Canadian SKF Company. Prior to 1917 anti-friction bearings were not a considerable factor in mechanical and electrical engineering. But on January 1, 1917, the Canadian SKF Company opened a modest office in Toronto under the general management of Mr. Gordon Janes, who for several years prior to that time had been the anti-friction bearing specialist for Canadian Fairbanks-Morse Company. The need for speed and greater production, during the first great war, provided the stimulus to mechanical and electrical engineers' interest in the application of anti-friction bearings to their requirements, in place of old babbitt type equipment.

Now, of course, owing to their demonstrated reliability and efficiency, the use of anti-friction bearings is almost universal. They are standard equipment in automobiles, all types of industrial machinery, electric motors, pulp and paper machines, locomotives, freight and passenger cars and all other equipment where anti-friction bearings are practical.

The success of the Canadian SKF Company under the direction of Mr. Gordon Janes, who has been President of the Company since 1934, may be gathered from the fact that, from an original sales and office staff of three people in 1917, the organization now totals eighty. Sales and service offices are maintained in principal cities. Sales in Canada today are seventy times greater than they were in 1917. There are two reasons for this phenomenal growth of business: one, the remarkable efficiency of SKF bearings and two, the twenty-five years of successive educational publicity and engineering sales effort.

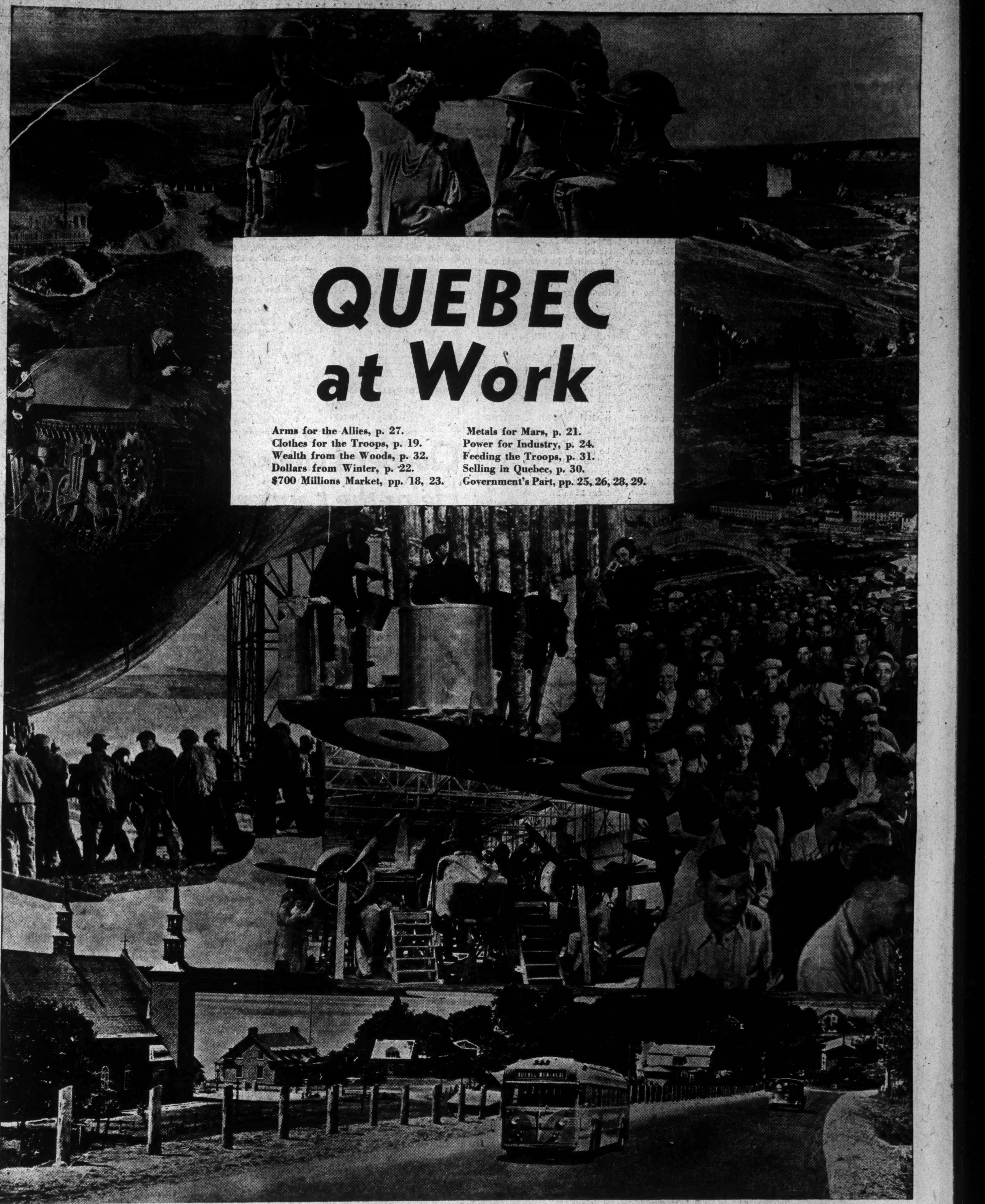


GORDON JANES
President and General Manager Canadian SKF Company Limited.

Today the symbol SKF has become synonymous with anti-friction bearings not only in Canada but throughout the world. For the duration of the war, SKF bearings are on a priority basis. Ninety per cent of the available supply is being used in the priority brackets A-1-a to A-10; about 50% coming in the A-1-a to A-1-c classes. Mr. Gordon Janes and his associates are justly proud of the results achieved during the past twenty-five years; and particularly of the part their organization is playing in Canada's war effort.

The Financial
POST

TORONTO, FEBRUARY 7, 1942



QUEBEC at Work

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Quebec is Giant Source of Key War Supplies

This Vast Storehouse of Raw Materials and of Productive Capacity is Vital Factor in Making Dominion an Arsenal of Empire

By JOHN E. LANGDON

Canada's greatest contribution to the war effort to date has been materials and supplies . . . munitions . . . guns . . . ships . . . aircraft . . . foodstuffs and other products.

The task which the Dominion has set itself far exceeds what was done in the last war. It is even startling to some other nations which may have been inclined to look upon this country as predominately agricultural.

Agriculture is still one of its basic industries—and a primary war industry as well—but the industrial mobilization of the Dominion today is a vital factor in the war effort of the United Nations.

And to Canada's part in helping to speed victory, the province of Quebec is making a gigantic and crucial contribution.

Her industries and her workmen have been responsible for a large part of Canada's achievement.

Her fighting man power enlisted for service anywhere is reported already to equal the total of the first Great War. Some 30% of the Royal Canadian Navy is from Quebec. Many French Canadians are in the R.C.A.F.. A Quebec regiment made history in the siege of Hong Kong.

Produces War Materials —

Canada's two tank factories are both in Quebec.

Quebec has the only plant making 500-pound aerial bombs.

The largest plant in the British Commonwealth or the United States completely producing 25-pounder guns from the scrap pile to the finished product is located in Quebec.

Two of the largest shell-filling plants and two outstandng small arms ammunition plants are situated in the province.

Quebec is making a notable contribution to the shipbuilding programme. Five or more shipyards are turning out motor torpedo boats; corvettes; mine sweepers and cargo vessels.

Three highly important airplane factories are in the Montreal area.

Other products being turned out in Quebec plants are enormous quantities of parachutes; howitzer shells; smaller shells; cartridge cases; trench mortars and trench mortar bombs; chemicals and explosives; electrical and radio equipment, fuses and primers.

The list of war materials and supplies does not end there, for Quebec also produces a very large part of the uniforms for the Canadian armed services.

It produces gas decontamination outfits; camouflage materials; webbing, tire cord, etc.

Products Diversified

From Quebec forests comes pulp for explosives and pulp for textiles; fibreboard and lumber for the bombed areas of Britain; paper for cartridges.

The province boasts the largest aluminum smelter in the world; one which is supplying a large part of the requirements for aircraft manufacture in Britain, the United States and Canada.

It is one of the two sources of asbestos within the Empire.

Quebec also turns out more than a hundred million pounds of copper each year.

Most of the boots worn by the Canadian armed forces are made in Quebec.

Many other and less important war materials and supplies could be added to the list to emphasize the fact that Quebec is a very important factor in the national effort.

Had Good Start

When war broke out, Quebec already had the nucleus of many war industries. It had aircraft plants, shipbuilding plants, explosive and chemical units, textile mills, pulp mills and iron and steel working industries.

These were geared to peacetime needs. Some were capable of immediate expansion to produce the vast quantitis of materials needed for modern mechanized warfare.

In other instances, and they are many, the Dominion government was faced with the task of establishing new plants; plants on a scale which had never before been contemplated.

Millions for Expansion

Quebec secured a large share of these industries because she had the necessary labor, the necessary materials and the necessary power supplies.

For example, the huge aluminum works at Arvida which had been doubled in capacity shortly before the war broke out, were again doubled and redoubled.

This was only possible because of a huge reserve of hydro electric energy which is so essential to electro-chemical operations.

Tens of millions of dollars have been invested in the Arvida works since the war started. The expansion goes on unchecked and before this war is over Quebec may have more aluminum smelter capacity than any country in the world.

Create New Industries

The huge explosive and shell-filling plants also were set up in Quebec by the Dominion government.

Munition plants were expanded.

Millions of dollars of new capital was poured into the gigantic gun plant at Sorel.

No exact figure is available as to the tens of millions of dollars which the Dominion government has advanced for the expansion and establishment of industries in Quebebc, but it is safe to assume that the advances equal if not exceed those for any other province.

Then, too, private industry contributed its share. Many of the established plants advanced their own capital to expand capacity to a scale sufficient to take care of the government's requirements.

Get Big Orders

An approximate idea of the scale of Quebec's industrial war effort may be gathered from the fact that the province's shipyards have contracts for $140 millions of shipping as compared with the total contracts for all Canadian yards of $373 milllons.

To recapitulate: in respect to war materials and supplies Quebec is the largest, and in some cases the only producer of aircraft, tanks, guns, ammunition, uniforms and equipment, shell-filling, aerial bombs.

In shipbuilding, explosives, pulps, shells, radio equipment, fuses and primers, etc., Quebec accounts for a large share of the total Canadian output.

Her industrial effort is only one side of the story of her contribution.

Quebec has ably demonstrated her power to accelerate agricultural production. No farmers in Canada have been more responsive to Britain's needs than those in Quebec province.

Canada has undertaken to provide the United Kingdom with more than 600 million pounds of bacon in the 12 months ended Oct. 31 next. Quebec's ability to step up bacon production is shown by figures of hog marketings for the first 10 months of 1941. These totalled 404,000 against 355,000 in the like period of 1940. Marketings have been of a quality not approached in peacetime and the quality is being steadily improved.

Cattle marketings show sharp increases. In the 10 months the total was 82,000 head, compared with 55,000 in the like period of the previous year.

Despite enlistments in the armed services from the farming districts, one of the driest growing years on record and a shortage of feed, Quebec has met satisfactorily its quotas for cheese and butter. Notable is the general improvement in quality. Of all cheese graded in 1941, the percentage of firsts was 95.56 against 92.75 in 1940. First grade was accorded 90.78% of butter inspected, compared with 84.46% in the previous year.

To meet the shortage of flax and flaxseed, Quebec has increased its flax acreage to 50,000 from a pre-war figure of 8,000.

Increased quantities of clover are being raised.

In the important field of canned fruits and vegetables, the province has shown striking production increases and the poultry industry has more than kept pace with the generally enhanced demand.

An Important Cog

Whether in the agricultural or the industrial field, Quebec has made every effort to co-operate with the Dominion in producing those products needed for the war effort, directly or indirectly. Because of these resources which the province has had to offer, a large share of war materials and supplies have been contracted for in Quebec. They are being produced in record quantities and are justifying Canada's designation as one of the arsenals of Democracy.

Without her almost limitless wealth of natural resources, Quebec would be unable to play this tremendous role in the story of Canada's war effort. But natural resources do not tell the whole story. Her success in harnessing those resources is the key factor without which the mines and streams and farms and forests of the Ancient Province would be of little value to the war effort.

How she has engineered the full development of her material and human resources is perhaps Quebec's most important story. Government has borne an important share.

In peace, Quebec's government had aided her aggressive farmers in colonizing new areas, opening up 75 new parishes in the past 40 years. From previously unhospitable land, Quebec is now shipping food to Britain. Some of these northern "colonies" are supplying food to the mines which are turning out copper for munitions, gold to balance Canada's soaring requirements of imported goods. Quebec is one of Canada's richest mining areas, and one still expanding.

Government Aids

Quebec's long established practice of helping her people take root in new lands is paying dividends to Canada's war effort. In her industrial effort the province is following the same basic principle.

Workers for the growing arms plants are being given their initial training in Quebec Government schools. More than thirty schools are now devoted to instructing some 3,500 young students. Last year 3,000 pupils passed through these schools into industry, many of them from the Cartierville aircraft school near Montreal where 500 young men are trained at one time.

Men and Resources Harnessed

Now geared to war, Quebec's youth-training plan was started five years ago to train and rehabilitate the unemployed. Since then it has continued to function, supplying man and woman power to cultivate the rich natural resources of the province.

Add to this rich reserve of man power a hydro-electric industry turning out 1.7 billion kilowatt hours of power in a month, an industry that was able to add 230,000 h.p. to its developed capacity last year, and you have the makings of a big industry.

The Quebec hydro-electric power development has been the keystone of the provincial achievement. At the outbreak of the war Quebec actually had "power to burn." Electricity was being used to heat steam-boilers. When it is realized that in many parts of the world electricity has to be developed by laborious steam engine processes, the contrast becomes doubly striking.

On this partnership of man power and waterpower Quebec's industrial might is founded.

Together they have turned Quebec's forests into a vast source of pulps for all sorts of uses from stockings to explosives. They have made possible Quebec's mining industry, her shipyards, her textile mills, her iron and steel mills. Together they are playing an indispensable part in forging victory for Canada and the United Nations.

In Tanks, Bombs, Airplanes, Shell Filling Ships and Other War Products, The Province of Quebec Plays Mighty Role

Quebec is Big

3,200,000 Buyers and Producers

One Out of Every Four Canadians Resides in Quebec

One out of every four Canadians lives in the Province of Quebec.

When returns from the recent decennial census are compiled, the figures are expected to show Quebec has a population of approximately 3.2 millions, over 95% of whom were born in Canada.

The trend of population growth in Quebec from the decennial census of 1881 up to date, together with returns for the Dominion as a whole, and Quebec's percentage of the latter, follows:

	Que.	Can.	Que. % of Total
1941* ..	3,200,000	12,250,000	26.44
1931 ...	2,874,255	10,376,786	27.70
1921 ...	2,360,665	8,787,949	26.87
1911 ...	2,005,776	7,206,643	27.83
1901 ...	1,648,898	5,371,315	30.70
1891 ...	1,488,535	4,833,239	30.80
1881 ...	1,359,027	4,324,810	31.42

*Estimated.

As the original settlement of the province was undertaken by French colonists, it is natural that the majority today should be of French origin and French speaking.

Of the native born almost 80% are of French descent and trace directly to the original French settlers of 300 years ago.

The first effort made toward colonizing New France dates from the second arrival of Champlain in 1608 when he founded Quebec. Before that Jacques Cartier had been satisfied to explore the country.

Colonization Slow

First of the settlers to come to what is now Canada was Louis Hebert, an apothecary from Paris. As early as 1617 this courageous pioneer landed in Quebec with his family and devoted himself to agriculture. At that time it is estimated there were about 10,000 Indians inhabiting the country which now comes within the borders of Quebec province.

At the outset colonization proceeded slowly, the company in charge of recruiting settlers, in return for certain trading privileges, feared losing control of the fur trade should they send out too large a number of settlers.

The incessant warfare with the Indians, as well as with the English, was a drawback to an increase in population.

First Census 1666

The first census taken in Quebec dates back to 1666 when there were 3,125 inhabitants in the districts of Quebec, Montreal and Three Rivers. Subsequent enumerations gave a population of 3,918 inhabitants in 1667; 9,400 in 1679 and 12,263 in 1685, including 1,538 Indians inhabiting the settled area.

At the time of the British occupation there were approximately 60,000 people in Quebec or New France. Then followed a large influx of settlers, tradesmen and others from England, Scotland, Ireland and the continent. The population grew steadily. By the time Confederation rolled around Quebec had a population of nearly 1,150,000.

The government census for 1931, which is the last for which complete returns are available, showed that of the more than 2.8 million people in the province, all but some 600,000 were of French racial origin. One-third of the remainder were of English descent and 108,000 of Irish origin. The Scotch were well represented with 80,300, while the balance was made up of many nationalities.

A survey of the principal racial origins of Quebec's population based on the 1931 decennial census follows:

Principal Ones Only	
English	234,739
Irish	108,312
Scottish	87,300
French	2,270,059
Hebrew	60,087
Indian	12,312
Italian	24,845
German	10,616
Greek	2,466
Polish	9,534
Russian	3,574

Population Movement

The movement of population in Quebec from rural to urban areas has been an interesting one. In 1871 the rural population amounted to 80% of the whole, whereas in 1931 it was only 37%. The peopling of the larger centres has been detrimental to rural life, the immigration of agriculturists being insufficient to counterbalance the movement from the country to the towns.

From 1881 to 1931 the urban population of Quebec increased six-fold while the rural population held its own, making an aggregate increase of more than 100% in population over the 30-year period.

Distribution of rural and urban population in the province as set out in the decennial census from 1871 to 1931 follows:

	Urban	Rural	Total
1871	....	....	1,191,516
1881	311,104	1,047,923	1,359,027
1891	499,715	983,820	1,483,535
1901	654,065	944,833	1,648,898
1911	966,842	1,038,934	2,005,776
1921	1,322,569	1,038,096	2,360,665
1931	1,813,606	1,060,649	2,874,255

More Urban Centres

An idea of the growth of Quebec's urban population can be gained from the fact that between 1921 and 1941 the number of cities with a population of over 10,000 increased from 12 to 21.

Particulars of the growth of urban population during the period from 1931 to 1941, based upon the census returns, follow:

	1941	1931
Montreal	882,398	818,577
Quebec	147,002	130,594
Verdun	65,927	60,745
Trois Rivieres	41,732	35,450
Sherbrooke	35,487	28,933
Hull	32,474	29,433
Outremont	28,621	28,641
Westmount	24,123	24,235
Shawinigan Falls	20,237	15,345
Lachine	19,898	18,630
St. Hyacinthe	17,726	13,448
Valleyfield	16,929	11,411
Chicoutimi	15,974	11,877
Granby	14,146	10,587
Jonquiere	13,763	9,488
St Johns	13,563	11,256
Thetford Mines	12,727	10,701
Joliette	12,678	10,765
Sorel	12,156	10,320
Levis	11,912	11,724
Drummondville	10,502	6,609

No Change Expected

The predominance of French-speaking population in the urban centres of Quebec is not without interest. Montreal, the largest centre, reports two-thirds of its population as of French racial origin. In Westmount, a residential city in the Montreal metropolitan area, the proportion is just the reverse. But elsewhere in the province the percentage of urban population ranges from 80% to over 90% of French origin. This situation is more fully set out in the following compilation based on the 1931 census. It is not anticipated that the 1941 census will show any material change.

(Percentage)	French	British
Cap de la Madeleine	96.6	2.8
Drummondville	86.2	11.5
Granby	86.0	12.7
Grand'Mere	90.7	7.5
Hull	90.0	6.9
Levis	97.6	2.2
Montreal	63.9	21.8
St. Hyacinthe	98.2	1.1
St. Johns	88.5	9.2
Shawinigan Falls	92.5	5.6
Sherbrooke	75.8	22.3
Three Rivers	93.6	5.2
Valleyfield	87.5	11.0
Verdun	38.3	57.6
Westmount	13.1	73.0

Many Large Families

One of the features of Quebec's population is the importance of family returns. Large families are the rule rather than the exception in Quebec, The average of 3.58 children per family is considerably higher than in the other provinces. Moreover, Quebec has a far larger number of big families; at the time of the 1931 census, for example, there were 1,440 families with 12 or more children.

The size of Quebec families as indicated by the 1931 census returns is set out below:

Size of Families	
Total families	413,868
Families with children	353,006
Families without children	120,862
Families with:	
One child	81,135
Two children	56,748
Three children	55,037
Four children	43,794
Five children	34,019
Six children	25,024
Seven children	18,358
Eight children	12,427
Nine children	8,800
Ten children	3,979
Eleven children	2,065
Twelve or over	1,440
Average per family	3.58

Quebec Lending Helps the Farmer

Government Lends Over $30 Millions to More Than 15,000 Borrowers — Brings Farm Stability

Quebec's Farm Credit Bureau was set up at the end of 1936 in order to provide farmers with long-term loans at a low rate of interest. To that end the province created a credit pool of $41 millions of which the greater part is now out on loan.

At the time the Bureau was established the government was motivated by two major considerations.

First was to make lands available to established farmers who wished to consolidate their debt at a lower rate of interest to improve their buildings, land, method of farming or livestock.

Second was to provide credit to persons acquiring a farm with a view to settling thereon.

Over 15,800 Loans

At the beginning of 1941, the Farm Credit Bureau had made 155,816 loans, amounting to $36,513,665. The loans settled the following claims: mortgages—$27,625,079, various taxes and ordinary debts, $8,888,586.

According to statements made by the borrowers, their combined assets amounted to $120,104,879 as against liabilities of $40,478,564. The farmers valued their property, comprising land and buildings at $86,529,723 while the municipal evaluation was $43,310,750. However, through the services of local appraisers and special inspectors, the Board fixed the value of the farms at $57,173,322; the livestock at $13,892,893 and the equipment at $12,621,906.

Of the borrowers, 13,433 were married, 953 widowers and 1,430 single. There were 71,526 children dependent upon the borrowers and of this number 37,904 were boys, and 33,622 girls.

Quebec Backs Plan

The whole cost of the Quebec Farm Credit Bureau organization is borne by the government and the estimated cost to the government, including the loss of 1% in interest, will be in the vicinity of $325 per $1,000 loan, (exclusive of capital losses) spread over a period of forty years or slightly over $8 per year per $1,000. The 1% interest loss is due to the fact that the loans were made to farmers at low rates and the government has to pay on its borrowings.

This cost may seem high at first glance, but an average loan of $2,500 will keep a family of six or seven persons living on a farm in comfort and security and doing productive work. The cost to the government of such a loan would be $812 for 40 years, whereas the same family would cost between $500 and $600 yearly if they were living on direct relief in a large city.

Has Good Record

To date the record of the Bureau has been an exceptionally good one. Defaults have been negligible and capital losses have only been a fraction of 1%. This has been due to the safeguards set up against making bad loans.

Under present procedure, a preliminary report is prepared by a local representative who, although not always an expert at valuating, gives a very good report on the moral standing of the borrower in his own community. This report is studied by an agronomist and a practical farmer and checked by them with the information given by the borrower in his original application.

In most cases, except where it is self-evident that the risk is exceptionally good, the farm is visited by a regular and qualified inspector.

Loans Limited

No one may obtain a loan of over $6,000 nor may a loan exceed 65% of the value of the farm as set out by the Bureau. The Bureau may loan 75% of the valuation, however, where the farmer's debts are greater than the amount that the Bureau may loan, and the farmer's creditors have accepted a compromise.

Every loan must pay all the borrower's debts and should he require more cattle or if his buildings are in need of repair, the Bureau sets aside the amount necessary and pays for the purchases on certified invoices, after they are approved by the borrower.

All cheques are made payable to the borrower and to his creditors and must be endorsed by both.

Through the medium of the Farm Credit Bureau, the Quebec government has taken a long step forward in bringing about stabilization of farm operations. Moreover, the loan was established at a time when the agricultural problem was very acute. Admittedly, today it is not so pressing because of the improvement brought about by wartime conditions, nevertheless, the plan has been of tremendous help in improving the lot of the farmer.

For 49 years a progressive Public Telephone Service

The Quebec Telephone and Power Corporation has two subsidiaries operating in the province of Quebec: The National Telephone Company and La Compagnie de Téléphone Portneuf et Champlain.

The National Telephone Company originated in February, 1893, and was presided by A. B. Dupuis. In 1927, the Honorable Jules Brillant succeeded Mr. Dupuis and since then, under his direction, the company is growing steadily.

La Compagnie de Téléphone Portneuf et Champlain was formed from two enterprises headed by the county council of the territory in which they were operating.

This company owns a network starting from Batiscan, and terminating at St-Augustin, and going northward as far as St-Tite, Rivière-à-Pierre, St-Raymond.

The Quebec Telephone and Power Corporation covers by its two subsidiaries, the following counties: Matapédia, Matane, Gaspé-Nord, Rimouski, L'Islet, Montmagny, Bellechasse, Lévis, Dorchester, Lotbinière, Beauce, Champlain, Portneuf.

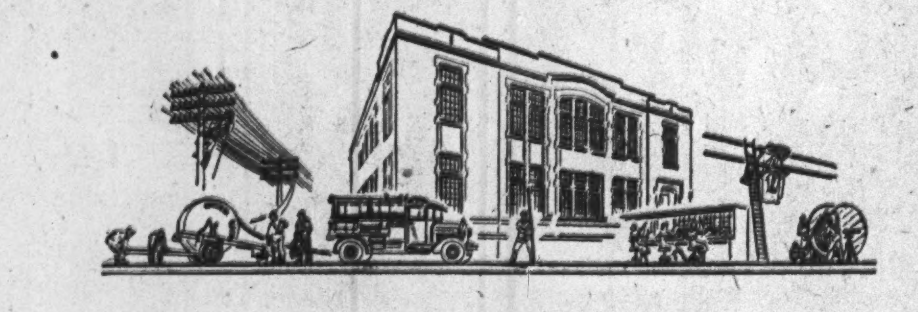
Its subscribers numbering 4,500 can easily speak anywhere in Canada and United States, because its lines are connected with those of surrounding companies.

THE
Quebec Telephone & Power Corporation
Head Office: Rimouski, Canada.

CANADA'S WAR EFFORT
Requires More Power Facilities

Our Company is contributing in the development of our resources and in the production of war materials.

Lower St. Lawrence Power Company
Rimouski, Quebec
Serving 51 communities in the counties of Rimouski, Matane, Matapédia and Temiscouata.



Quebec Keeps Pace

Trained and ready, the telephone industry went on active service the moment war was declared.

Since September, 1939, the demand for both local and long distance service has risen to unprecedented levels reflecting the important part played by the telephone in the speedy transformation of Canada's economy to its present wartime basis.

In the Province of Quebec over 22,500 telephones were added during 1941 and the expansion of long distance facilities was continuous. Telephone plant additions were made in many important towns and cities including, among others, Quebec, Lachine, St. Johns, Sorel, Trois Rivieres, Valleyfield, Farnham, Brownsburg and Shawinigan Falls.

Now wartime growth in the demand for service has absorbed spare facilities. Shortages of materials and skilled men prevent new equipment being provided at the speed and in the amount required.

Canadian telephone users actually help the nation's war effort when they make the most economical use of present telephone service.

THE BELL TELEPHONE COMPANY OF CANADA

A GOOD NAME
—to its CREDIT

"The Government's long view plan for the rehabilitation of the finances of Quebec is being realized and genuine progress can now be reported."

In the budget speech I delivered in the Legislative Assembly on March 18th, 1941, I expressed myself as follows:—

"I am hopeful and reasonably confident that this estimated result (i. e. net surplus on an over-all basis of $362,000) will be achieved.

"This balancing of the Budget on an over-all basis means that the Province will meet all its Ordinary Expenditures out of Revenue and that it will meet all foreseen Capital Expenditures also out of Revenue. In other words, for the first time in many years the Province will live within its means and will meet its obligations for the year 1941-42 without having recourse to borrowing, except of course for purposes of refunding maturing bond issues and the funding of Farm Credit Bureau advances."

The experience of the first nine months of the year tends to show that the hopes then expressed were well founded and that there is a reasonable expectation that the objective, then set, of a budget balanced on an over-all basis will be attained.

HON. J. ARTHUR MATHEWSON, K.C.,
Provincial Treasurer,

Production for War

Textile Firms on 'Active Service'

Products of Quebec in Use Among Allied Armies All Over the World

Among the sand dunes of Libya and in the jungles of Malaya, the products of Quebec cotton textile workers are being put to use by Imperial forces. Cotton web equipment is going from this province to the Russian armies, and other consignments are earmarked for the Chinese.

At Hong Kong, Quebec's own Royal Rifles and the Winnipeg Grenadiers were equipped with materials from the cotton mills of the Ancient Province. In the British Isles, not only is every Canadian soldier and airman fitted out with cotton products of Quebec, but many of the British are also using duck fabrics and webbing manufactured along the St. Lawrence.

In the Near East as on the seas and in Canada itself, the cottons from Three Rivers, St. Hyacinthe, Sherbrooke, Magog, St. Gregoire, Drummondville, Valleyfield, Montreal, and other textile centres of Quebec are in service with the armed forces.

These textiles are being used as aircraft fabrics, parachute harness, camouflage netting, antigas cloth, tire fabrics for mechanized equipment, web equipment, bandoliers, gun covers, gas masks and powder bags.

Centre of Industry

Beyond these more drastic uses there is the vast application of cotton as clothing and shelter. Battles are won by aircraft and tanks and fighting ships, but in a long war the requirements of clothing and shelter are fundamental. One Quebec cotton company alone has turned out over twenty-six million yards of fabrics for uniforms. And the shipments from the province of tenting and ground sheeting have risen to fantastic proportions. Even such items as linings and threads for shoe laces have to be produced, and Quebec produces them.

Far and away the leading province in cotton production, with 14 plants and 17,000 employees, Quebec can justly lay claim to the major share of credit in having performed this cotton production chore that is one of Canada's outstanding feats in the war. It is also one of the least known feats, for it has been done with so little friction as largely to miss public attention.

Months before war was declared on Germany, the Quebec industry began turning out heavy duck and yarns for webbing on order of the British Government. The first large order of this kind was for a million yards of 16-ounce duck placed with Dominion Textile Co. in the spring of 1939—and incidentally at a price that was little better than cost of production. Other orders were accepted by the industry during that summer, and when war actually did come, the Quebec cotton production was in stride.

There was no sharp dislocation while a change was made to war economy. The taxpayer was not called upon to furnish money for plant expansion and new machinery—private enterprise in this industry managed such alterations as were needed. No complicated bureaucracy of government supervisors had to be set up to ensure that cottons would be diverted into the lower priced usages as war materials: the industry looked after the details of carrying out the work.

Few Labor Troubles

The largest division of the textile industry, cotton manufacture, has experienced relatively little labor difficulty throughout the war to date.

There has been practically no failure of technical skills in keeping to schedules day and night to produce a multiplicity of goods to exacting specifications. This technical adequacy to meet the emergency of war is one of the benefits now being derived by Canada through having this industry, sometimes in the past referred to as "not indigenous," because Canada grows no cotton, this view forgets that Lancashire also grows no cotton, and Quebec has been called the Lancashire of Canada.

War Record to Date

As of December 31, 1941, three of the Quebec cotton companies — Drummondville Cotton Co., Montreal Cottons Ltd., and Dominion Textile Co. had delivered for the Canadian forces, and for the British, Australian, New Zealand, Indian, and South African, a stupendous list of goods which includes:

Five million yards of camouflaged anti-gas cloth; 360,000 lbs. of camouflage netting; 650,000 yds. of cotton and wool shirting; 25.9 million yards. of drill fabrics for uniforms, etc.; 2 million yds. of duck fabrics for bandoliers; 7 million yds. of duck fabrics for gun covers, kit bags, tents, etc.; 800,000 yds. of duck fabrics for uniforms; 15,000 yds. (per week) fabric for aircraft; 50,000 yds. of gas-mask cloth; 1 million yds. of ground sheet fabrics; 800,000 yds. of powder bag fabric; 1.5 million yds. of sheeting; 11 million lbs. of tire fabrics for mechanized equipment; 950,000 towels; 6.7 million lbs. of yarn for web equipment.

In addition there have been substantial deliveries of anti-sabotage nets, bandage cloth, blankets, cotton for palliases, legging fabric, overalls for mechanics and gun crews, parachute strap yarns, pillow cotton, shoe linings, shoe threads, white clothing for doctors and nurses, and yarns for underwear.

Other Divisions

This is the record of the cotton branch of Quebec's textile industry. Then, too, there are the woollen, silk and artificial silk divisions which have applied themselves to meeting Canada's war needs in the same aggressive manner as they did the peacetime needs of the country.

The war has created many problems for the industry. Millions and millions of yards of woollen fabrics have been made for the armed services. The increased spending power of the civilian war-workers has created abnormally large demands from the civilian consumer. The latter situation applies not only to woollens, but to cottons, silk and rayon goods.

Difficulties have been encountered in securing raw materials, but these have been overcome either through substitution or in the pooling of resources. For example, the use of silk for civilian purposes has been abandoned. The slack has been taken up through the greater use of rayon and nylon yarns. This has involved changes in manufacturing operations and, in some instances, the installations of new machinery.

Over 925 Plants

Quebec's place in the textile industry is unique. There are in operation over 925 plants, the capital investment in which amounts to $152 millions.

Measured in terms of employment and wages, a yardstick which is of the most direct interest to the people of the Dominion, the textile industry ranks first among manufacturing industries of Quebec and the number of people in employment. More than three out of every ten factory workers, find their jobs in textile mills.

Other yardsticks give different results. Textiles stand only fourth in the number of plants and only third in the amount of capital invested in mills and machinery. In the amount of wages paid and the number of employees the industry has stood first for some years.

Develop New Lines

Quebec's dependence on the textile industries for employment results both from its maintained lead in older branches of the industry and from the rapid development of some of its newer branches.

Since early days the Canadian cotton industry has been centred in Quebec and now has over 20,000 people on its payrolls. The Quebec mills account for nearly three-quarters of the cotton output in Canada.

The newer rayon and artificial silk industries, which have seen such a marked development in the past generation, are almost as predominately a Quebec industry.

Knitting of hosiery is another large textile enterprise in which Quebec contributes almost 60% of the Canadian output. There are also the knit-goods plants, which are heavily represented in Quebec.

Widespread Industry

Roughly speaking about one-half the textile plants in the Dominion are located in Quebec Province. The policies established by the companies in this area very largely determine those for the balance of the industry.

Though the metropolitan centre of Montreal is the location of several mills, the greater part of the activity is in and around the territory known as the Eastern Townships. This section is sometimes called the New England of Canada. It is highly industrialized and for various reasons the cotton industry appears to thrive in it.

Throughout the Eastern Townships and along the North shore of the St. Lawrence may be found many silk or synthetic silk manufacturing plants. Among the more prominent operators are Canadian Celanese at Drummondville; Belding-Corticelli at St. Hyacinthe, Coaticook, St. Johns; Associated Textiles and others.

The woollen and knit-goods industries have their representatives in Quebec. At Sherbrooke is located one of the oldest and largest woollen mills in the Dominion, that of the Paton Manufacturing Co. At St. Jerome the Regent Knitting Mills has a modern plant, while at St. Hyacinthe, Penman's operates a large factory manufacturing a wide line of knitted goods and woollens.

Create Own Cities

However significant the textile industries are to the province as a whole, their welfare is a matter of utmost importance in those communities which textile employment has built into important industrial centres.

There are textile mills in over 15 towns in Quebec and in some of them textiles are the sole or most important source of employment. Perhaps the unique feature of this development is the number of formerly almost rural areas which have developed in this way in the last 15 years, quite outside of Montreal or other old established urban centres.

The development of the City of Drummondville is a good example of the growth of the textile towns which have sprung up throughout the Eastern Townships and elsewhere. Less than 20 years ago there was one textile plant at Drummondville, employing about 100 people. Now there are five important concerns employing among them over 5,000 people.

THERE IS NO OTHER TOBACCO JUST LIKE OLD CHUM

"Take an old Smoker's advice Son, Stick to Old Chum!"
OLD CHUM

OLD CHUM
The Tobacco of Quality
CUT COARSE FOR PIPE • CUT FINE FOR ROLLING YOUR OWN

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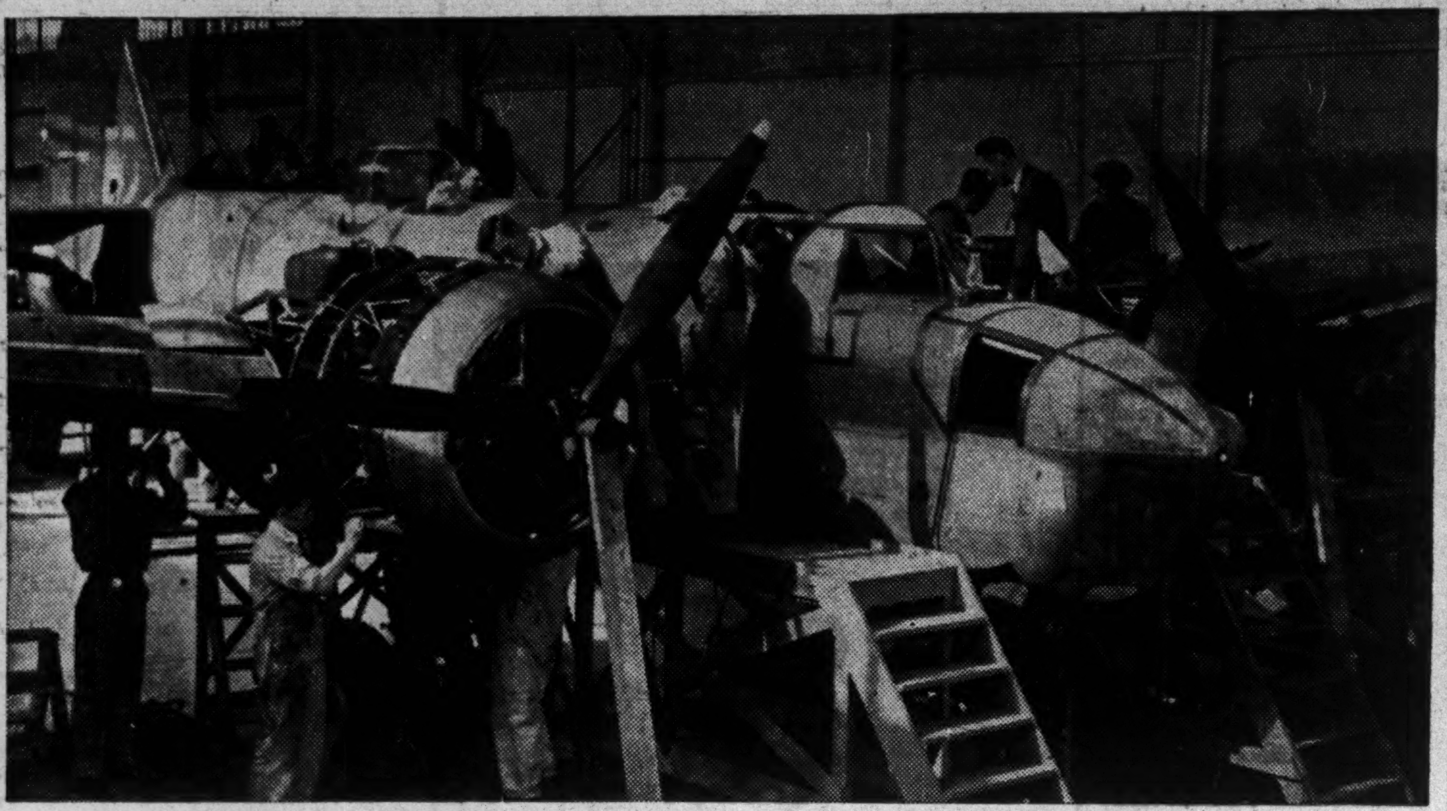
SHIPS·PLANES·TANKS·GUNS

BUILT FOR VICTORY
By Montreal Workers in
Montreal Factories and Shipyards

In war, as in peace, Montreal's unparalleled industrial advantages are being utilized to the full in providing the tools for victory. Montreal's strategic and unique transportation facilities, the abundance of electric power for industrial purposes, the skill of its workmen, the availability of new and processed materials, etc., have contributed toward making Montreal Canada's major centre for defence production.

MONTREAL INDUSTRIAL and ECONOMIC BUREAU
SUITE 806 - - DOMINION SQUARE BUILDING
"A municipal service of the City of Montreal"
Geo. S. Mooney Co-Directors Valmore Gratton



To the war in the air Quebec is contributing fast training, bombing and reconnaisance planes. Above, a Bolingbroke bomber takes shape in the plant of Fairchild Aircraft Ltd. near Montreal.

Serving Canada's Households

Trusted and familiar wherever cottons are used, the white rabbit trade mark of Wabasso represents more than just a product.

It stands for a great organization of 2,400 skilled workers, for an industry that has marched steadily forward for over 30 years, for an adherence to quality workmanship before all other considerations.

Wabasso's white rabbit trade mark is the symbol of one of Canada's outstanding enterprises.

TRADE MARK "WABASSO" REGISTERED

Manufacturers of

Sheets — Sheetings — Printed Cottons
Slips — Pillow Cottons — Broadcloths

and a wide range of unbleached cloths for industrial purposes.

THE WABASSO COTTON CO. LTD.
THREE RIVERS, QUE.

Quebec Trains War Workers

Youth Centres Produce Advanced Apprentices

Quebec youth training is being directed toward meeting the wartime emergency for skilled workers.

More than 30 training centres are giving courses at present to upwards of 3,500 young people. They constitute reservoirs which Canadian business has begun to draw upon. Already in the first year of the war more than 3,000 students from these training centres have been absorbed into industry.

The technical schools and those of arts and trades are providing courses which are especially designed to meet the more pressing need of the war industries. For example, in these training centres, men become familiar with bench work, such as chipping, hand reaming, tapping, threading with stock and dies, rivetting, polishing, tempering, drilling, etc. The trainees also are made conversant with the operation of various machines and the handling of both delicate and heavy tools.

Aircraft School

One of the most active training centres is the aircraft school at Cartierville, near Montreal, which trains 500 young men at one time. Here the trainee is given instructions in the various operations performed in a regular aircraft plant.

According to agreement between the Quebec and Dominion governments there are always large numbers of R.C.A.F. men in training at the aircraft schools. This training covers various features such as splicing, assembly, fabric covering, rigging, woodwork, instrument work, aircraft maintenance, etc. Another section, composed of engine aero mechanics, takes care of motor instruments, overhauling, etc.

The training given to young men under the war emergency training programme is not designed to turn out the finished worker or mechanic but simply give him a basic training which fits him to take his place in industry. In other words, he is a first class apprentice who can render valuable service to the machine shop and aircraft plant.

Part of a Plan

Training of youths is not a new thing in the province of Quebec. Five years ago the government set out to establish a permanent training programme to provide vocational development of the younger unemployed men and women by training them so that they may find for themselves a place in the economic life of the province.

Cover Many Fields

When the plan was initiated it was designed as an unemployment measure. It was recognized that young men and women without proper training would find it extremely difficult to find positions for themselves. While the plan remains basically one of fitting the youth of the province for peacetime work, it has been broadened, because of exigencies of the war, to training both young men and women for special classes of war work.

The scope of this youth training plan can best be envisioned by describing briefly some of the schedules which the Quebec government has set up. In addition to the schools for mechanical and aircraft training the province has established a mine school at Val d'Or. This is not intended as a training centre for mining engineers or even foremen. Rather this aim is to train qualified mine workers. The course covers three to six months.

Another school in connection with the war emergency programme specializes in the training of young men to engage in the manufacture of heavy guns, as well as road construction.

Special Courses

Agricultural training is covered. This has been broken down into a number of special courses: cattle breeding; maintenance and repair of farm machinery; drying tobacco; purchase of milk products; training to organize and administer rural co-operative societies; cultivating and growing flax and in the preparation of hemp.

It is also planned, under this schedule, to provide young men in rural areas with training as gardeners, pottery workers, cabinet makers and wood carvers.

Also Train Girls

The programme provides for training some 600 young urban and rural women in Quebec hotel and restaurant service. A school for this service has been opened in Quebec city. This school gives training to would-be seamstresses, cooks and in farm housekeepers, plus training in gardening, dairy work, canning and weaving.

Then there is a plan for student aid. To prevent the less fortunate among them from interrupting their studies, the provincial government has worked out a plan with the Dominion government, whereby approximately 60 scholarships will be created with an annual value of $150 each.

The primary objective of these plans is to establish a permanent liaison between employers in the skilled and unskilled labor and unemployed youths and teach them skilled work.

At this time, of course, the emphasis has been placed upon training for war rather than peacetime purposes. Aircraft manufacturing, radio, sheet metal, navigation and the processing of war materials are the courses which are being pushed in order to further Canada's war effort.

Quebec Business Gains 10% in 1941

Turnover of business in the Province of Quebec during 1941 was approximately 10% higher than the previous year, judged by the volume of bank debits recorded in the three principal centres of Montreal, Quebec City and Sherbrooke.

Cumulative returns for the first eleven months of 1941 reveal bank debits in the three cities totalling $9,981 millions. This contrasts with $9,022 millions for the like period in 1940, and with $9,506 millions for all of 1940.

Quebec Income Rises Sharply

Quebec's income from all sources in 1941 was not only higher than in 1940, but was greater than the average gain reported by the Dominion as a whole, according to returns estimated by The Financial Post Business Year Book.

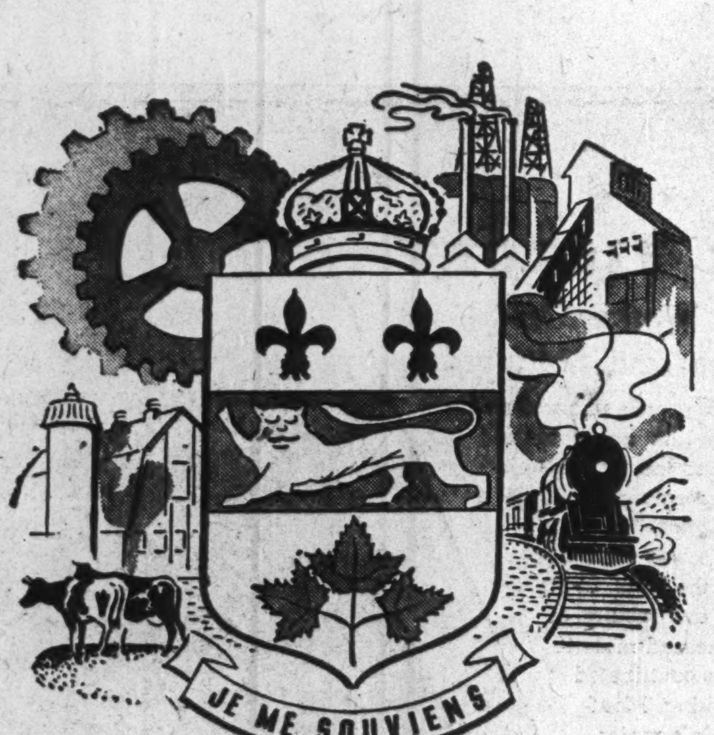
Aggregate income for the province last year is placed at $1,290 millions, as contrasted with $1,163 millions the year before.

On a per capita basis, Quebec income in 1941 amounted to $393. This compares with $354 in 1940, an increase of 10.9%.

Particulars of the estimated income of the various provinces for 1941, with comparative figures for 1940 follow:

	1941	1940	Per Cap.		%
			1941	1940	Chge.
	$000	$000	$	$	'41-'40
P.E.I.	28,517	27,455	303	292	+3.9
N. S.	208,513	182,551	364	319	+14.2
N B.	145,956	133,795	321	295	+9.1
Que.	1,290,551	1,163,575	393	354	+10.9
Ont.	2,236,935	2,002,082	589	527	+11.7
Man.	310,599	288,917	419	390	+7.5
Sask.	259,751	280,174	269	290	−7.3
Alta.	324,697	310,439	405	387	+4.6
B. C. *	444,481	411,012	545	504	+8.1
Total	5,250,000	4,800,000	455	416	+9.4

*Includes Yukon and N. W. Territories.



YES, QUEBEC IS AT WORK

Quebec is busy—busy producing the sinews of war; ships and guns, tanks, aeroplanes, arms and ammunition — as well as hundreds of other essentials to equip and maintain our armed forces. Quebec is busy, too, in providing an endless stream of needed foodstuffs for Canada and the British Isles. In huge mills and factories lights burn late, so that our families and our homes may still secure the necessities of life.

The EATON organization is proud to play a part in the final distribution of Quebec-produced merchandise, and thus in no small measure help strengthen Quebec industry and agriculture to meet the nation's and the Empire's increased wartime demands.

THE T. EATON C° LIMITED
OF MONTREAL

"Sap" High With Quebec

Quebec's Maple Syrup industry has long since passed out of the "sap" stage; it is big business as far as the province is concerned.

For generations the maple trees of the province have been providing Quebec with a highly delectable foodstuff which brings to the owners of the "bush" an annual revenue of around $3 millions.

Quebec accounts for over 80% of the total maple sugar output and more than 60% of the maple syrup production in Canada. A small output is reported in Nova Scotia, New Brunswick and Ontario but Quebec is, and always has been, the predominant producer of these two products.

Place in Industry

The maple industry is an important source of income for many farmers who are fortunate to own sugar bushes, but it is a type of industry which over a course of years has come to form an integral part of the social life of the province. To many Quebec folk, the spring is a time when "the sap is running." It is a time for sugaring-off parties, for conviviality and a good time.

Maple sugar and maple syrup is not only a table delicacy, it also has found an important place in industry, especially in the manufacture of cigarettes. Maple sugar is shredded and mixed with the tobacco before the cigarettes are rolled. Its use in this way is to draw moisture from the air and thus keeping the cigarettes "fresh." Today most of the maple sugar produced in the province of Quebec is used in that manner.

Production of syrup and sugar is variable and depends upon the "run."

Trend of Output

The trend of production value of maple sugar and maple syrup for the past five years in Quebec follows:

OUTPUT OF MAPLE SYRUP AND SUGAR

	Syrup Quantity gals.	Value
1941	1,650,000	$2,541,000
1940	2,211,000	2,808,000
1939	1,810,400	2,263,000
1938	2,353,000	2,589,100
1937	780,000	865,800

	Sugar Quantity lb.	Value
1941	2,244,000	$ 392,700
1940	3,251,700	487,800
1939	2,715,400	380,200
1938	3,212,100	321,200
1937	4,020,000	442,200

"What Kind of People Do They Think We Are!"

— The Prime Minister of Great Britain

The allied free peoples, now fully aroused to the realization of their purpose and destiny, will provide an overwhelming answer to the forces which seek to impose their slavish mastery.

We shall prove again that the spirit of free men is invincible no matter how bitter the onslaught.

Canada's role is two fold. First, as one of the twin arsenals of democracy on this continent. Secondly, in manpower for the armed forces.

This company's role is in the production of the basic products of pulp, newsprint and lumber; lumber for the bombed areas of Britain, newsprint to carry the message of free men — and to earn the dollars that buy materials of war.

PRICE BROTHERS & COMPANY, LIMITED

PRODUCERS OF LUMBER PRODUCTS AT RIMOUSKI, PRICEVILLE AND MATANE AND NEWSPRINT AND BOARD PRODUCTS AT KENOGAMI, RIVERBEND AND JONQUIERE.

HEAD OFFICE— PRICE HOUSE — QUEBEC, P.Q.

Raw Materials

Mines Feel Strong War Stimulus

Output in 1941 Nearly $100 Millions; 400% Increase in 21 Years

By A. O. DUFRESNE
Deputy Minister of Mines, Province of Quebec

In the past two years of titanic struggle, Quebec's mining industries continue to expand at the momentum of preceding years.

Under the stimulus of war demands, all branches of the mining industry have undergone further expansion.

In order to give some idea of the growth of this industry it may be pointed out that, at the close of the last war, 21 years ago, the mineral output of the province was almost wholly confined to the so-called non-metallic products and its total value, excluding such building materials as stone, cement and sand, amounted to only $18 millions Of this amount, the value of asbestos alone accounted for $11 millions so it will be realized that the output of metallic minerals, such as copper, gold and silver was a relatively negligible factor.

Set New Record

Complete statistics for 1941 are not available, as yet, but it is clear that the output of Quebec's mines and quarries in the 12 months period will reach a new high record.

Preliminary estimates indicate that the value of production of metallic, non-metallic minerals and building materials is fast approaching the $100 million mark. As compared with the year 1932, this was a gain of almost $75 millions, or four times the value of the total output in that depression year.

According to statistics published by the Quebec Dept. of Mines and covering the first 11 months of 1941, the indicated value of gold production for the year amounted to approximately $42 millions.

Sales of building materials, comprising clay products, lime and cement, exceeded $6.5 millions.

These two items account for approximately 50% of the value of the mineral output of the province. Of the remaining 50%, the major part can be credited to asbestos and copper. In fact, if we exclude building materials, the combined value of gold, asbestos and copper now being produced from Quebec mines amounts to well over 90% of the total mineral production of the province.

28 Gold Mines

Gold is a strategic war mineral of prime importance, providing stability to our foreign exchange and thereby permitting continued purchases of supplies and equipment from abroad.

With 28 active gold mines, Quebec ranks second among the provinces in output of the precious metal.

All of these mines are situated in the great mining district in the Western part of the province. Five of them essentially base metal producers, where the gold and silver recovered in the metallurgical processes may be considered as a by-product.

Prospects Are Good

Present developments at a number of older mines improve the prospects for enlargement of these operations beyond their present scales.

New mills are under construction at West Malartic and Mic-Mac Mines and the present year should see both properties in steady production. Developments on several other properties have been favorable.

In the summer of 1941 gold discoveries at Varraute and Carpentier townships attracted attention, but, as a whole, prospecting activity lessened considerably as a result of the war. However, it appears probable, despite the increasing difficulties in obtaining supplies of equipment, that the gold production in Quebec will increase during the next 12 months.

Asbestos has always held its place as one of Quebec's most important mineral products, the mines in the Eastern Townships are operating at a high peak of capacity to fill war orders.

Until a few years ago, all mining of asbestos in Quebec was carried out by quarry or open pit methods. As greater depth was reached, several of these mines had been obliged to resort to underground mining and it is probable that, within the course of the next few years, almost all Quebec asbestos will be mined in this way.

Generally speaking, underground mining entails higher cost than open pit work, but a system of mining known as block-caving, combining low cost with safe working conditions, has been developed to meet the conditions of the asbestos district.

Copper is Important

Copper now plays an increasingly important part in the list of war metal produced from Quebec mines. At the start of the war a large part of the output from Noranda, Waite-Amulet, Aldermac and Normetal was contracted for by the British Ministry of Supply.

In addition to copper, all of these mines produce other strategic war minerals. Noranda, one of the world's greatest copper mines, is also Quebec's most important gold mine, alone accounting for 25% of the present gold output of the province. It is also the second largest gold producer in Canada.

Noranda also produces iron pyrites concentrates, and other rare metals—tellurium and selenium — are recovered at the Montreal plant of Canadian Copper Refiners, where the copper-gold anodes from the Noranda smelter are refined.

Waite-Amulet Mines is now operating on a basis of 1,500 tons of ore per day, of which 1,200 tons is copper ore from the Amulet Mines, the remaining 300 tons is high grade zinc ore from the Waite property.

The current output of the Aldermac Mines is 900 tons of ore per day; the massive sulphite ore is treated to yield both copper and iron pyrite concentrates.

Greater Zinc Output

Operations are in progress at the Normetal copper-zinc mines, to increase the mine output to 750 tons of ore per day.

The demand for zinc is focusing attention on several known deposits of zinc ore in the province, other than those mentioned. A 600 ton concentrator is being erected at the Golden Manitou property, Bourlamaque Township, where a large tonnage of zinc-gold ore has been indicated by previous work. On Calumet Island, on the Upper Ottawa River, diamond drilling has indicated 942,000 tons of lead-zinc ore, carrying precious metal values, and an underground development programme is planned for the near future.

Develop Chrome Mines

The present difficulty in obtaining supplies of chrome ore from foreign sources has brought about renewed interest in the chromite deposits in the Eastern Townships. Operations have been assumed on several of these properties and the construction of a 50 ton mill is nearing completion at the Starratt Mine in Cleveland Township.

Molybdenite is found in various parts of the province and the war demand has attracted attention to several deposits of this mineral.

Supply War Metals

The Moss Mines at Quyon, inactive since the close of the last war, was re-opened in 1941. With a new concentrator and a roasting plant, 150 tons of ore a day are treated for the production of molybdenum oxide. The oxide is shipped in briquette form.

Magnesium is in great demand as a war metal. Brucite, a hydroxide of magnesium, has been found in limestone beds in several points in the Gatineau district. A plant is under construction near Wakefield for the recovery of this metal on a commercial scale. Magneside, the carbonate of magnesium, is mined at the Canadian Refractories mine at Kilmar, where the output is used in the manufacture of refractory materials.

Produce More Aluminum

The importance of aluminum in modern warfare and especially in the construction of airplane plants is well known. No deposits of aluminum ore have been found in this country, but the metal is produced on a large scale from imported ores at the Aluminum Co. of Canada's plant at Arvida.

Over the course of the last three years the capacity of the Arvida smelter has been increased several times and Quebec now has what is probably the largest aluminum smelting capacity of any country in the world. The importance of this in the allied war effort cannot be exaggerated.

Other Metals Attract

There is a noticeable increase in the demand for titanium. Titaniferous iron ores occur in Charlebois County and in the Laurentian highlands to the north of Montreal. Two mines in the St. Urbain area were in production during 1940 and there are indications that this branch of the industry will expand.

The occurrences of manganese ore on Grindstone Island, Madgalen Islands have been known for half a century, but they attracted little attention until 1940, when several shallow shafts were sunk to explore the deposits. Manganese is an essential substance and it is probable that the deposits will be subjected to further investigation in the near future.

Many other minerals such as mica, apatite, kaolin, feldspar, silica, soapstone, iron oxide and arsenic oxide are being produced in increasingly larger quantities from Quebec Mines.

Need of Prospecting

Present indications point to a further expansion of Quebec's mineral industry in 1942. There is need, however, for an increase in prospecting activity if the output of essential war materials is to be greatly augmented. The Quebec Dept. of Mines is prepared to supply prospectors with information on the geology and mineral occurrences of the province. The Department also offered the facilities of its laboratories in Quebec and Montreal for the analysis of ores, and its newly completed plant at Val d'Or is available for the bulk sampling and treatment of ores from mining properties under development.

Shown Amazing Growth

In 1923 all gold produced in the province could have been held in an ordinary tea cup; copper production could have been carried by two trains of 75 cars each; silver production amounted to just over a ton in weight.

Returns for 1941 — only 18 years later, show an annual output of over a million ounces of fine gold; well over 100 million lbs. of copper and about 1.7 million ozs. of silver.

Even more marked is the growth in aluminum production, but, for wartime reasons, particulars of current output are not available.

During the first year of the last war Quebec's mineral production was less than $12 millions. In the first full year of this war, production reached the impressive figure of $85 millions, an increase of 1,650%.

There are other countries or provinces which have an annual mineral production of greater value, but few can equal the amazing record of the Province of Quebec.

The reason for this outstanding performance is to be found in Quebec's "Valley of Gold," that fabulous 100 miles of gold-bearing area stretching from the Ontario border out through Siscoe, Rouyn, Cadillac, Malartic, Bourlamaque and Pascalis Townships.

Practically all Quebec's producing metal mines are within this 6,000 square mile area — 100 miles long and 60 miles wide.

Trend of Output

The manner in which mineral production has grown in the province is set out in the following table:

1900 .	$ 2,546,076	1935 ..	$39,141,734
1905 ..	3,750,300	1936 ..	49,755,985
1910 ..	7,323,281	1937 ..	65,203,976
1915 ..	11,765,873	1938 ..	68,877,345
1920 ..	28,392,939	1939 ..	77,112,479
1925 ..	23,824,912	1940 ..	85,000,000
1930 ..	51,158,740	1941* .	100,000,000

*Estimated.

This table does not tell the full story. It does not tell how gold, copper and other metallic minerals have forged ahead until today they account for the greatest share of the annual production. This is more clearly indicated by the fact that metallics, which represented 8% of the value of production in 1927, now represent nearly three-quarters of the total value. Building materials, which in 1927 amounted to 53% of the total provincial production, have declined to a point where they represent only about 15%, while non-metallic's share of the total production has declined from 39% to 10%.

Quebec's mining history extends over a period of 200 years. As early as 1733 a furnace for smelting bog iron ores of the district was established near Trois Rivieres. Castings of bog iron were produced from these ores until 1910. Even today there is an appreciable output of natural iron oxides from the same source, for use in manufacture of mineral pigments and other purposes.

Metallics Neglected

During the last war when "war metals" were in great demand at high prices, the gold deposits of Western Quebec were almost wholly neglected in spite of the promising appearance of many of the discoveries and their favorable geological setting. At that time, however, and until about five years after the war, no very large base metal market had been developed in the province.

Production then consisted predominantly of non-metallics and mineral materials. Thus the average value of Quebec's production of metals between 1916 and 1926 was of the order of only $1 million, whereas that of non-metallics, including milling materials was $20 millions.

It had taken nearly two centuries to reach these figures. Within the next few years the ratio between metallic and non-metallic mineral production was reversed and the whole aspect of the Quebec mining industry changed.

Started With Noranda

Earlier in the post-war period, Edmund Horne staked several claims in Rouyn township. Noranda Mines acquired the Horne claims. In six years Horne's discovery was transformed into one of Canada's leading copper and gold mines.

This success aroused great interest in the region and Quebec's metal mining industry entered a new era of development and expansion. Ten years later, the Rouyn-Hurricana district had 21 mines in production, yielding copper, gold, silver, zinc, iron pyrites and selenium. Many other mines have since come into production.

Record Copper Output

The ores in Quebec's gold are copper bearing, and as is to be expected due to the expansion in gold production, the output of copper has shown an equally amazing growth.

The trend in gold and copper production since 1926 can only be described as amazing. From an output of less than 2.7 million lbs. in 1926, copper production has grown to well over 125 million lbs. Because of wartime regulations current output figures are not available, but in 1939, output totalled 118 million lbs. Production since that time, it is known, has been considerably increased.

The growth of the metallic mining industry in Quebec has not been a flash in the pan. It has developed along sound lines, fostered and aided by the Quebec Government.

While the war has tended to concentrate operations on those materials which are required for the war effort, at the expense of new prospecting, it is felt that when conditions are back on a peacetime basis, a renewal of exploratory and prospecting work will bring into production many new mines, while those already established will be reorientated to meet the demands of peacetime.

LA PRESSE
Le vote de confiance à Churchill: 464 contre 1
LE "LADY HAWKINS" TORPILLE

LA PRESSE

BALANCED, MARKET-WIDE COVERAGE

In 1941, total retail sales and services in the entire Province of Quebec amounted to approximately $822,000,000. Two-thirds, or $550,000,000, of this money was spent by people living *within* the Montreal retail trading zone. In other words, 67c out of every retail sales dollar is spent within this area.

The average daily net paid Canadian circulation of La Presse for 1941 was 153,173 (Saturday, week-end with rotogravure, 183,207). Of this total, 114,784 is concentrated *within* the Montreal retail trading zone. No other publication gives you such balanced, market-wide coverage of the Province of Quebec.

Town and Country Dollars

There's Gold in Them Thar Hills

Skiing is Big-time Quebec Business as Sport Catches Wide Fancy

Hills and snow are the raw materials of the ski business which runs into several millions of dollars every year.

Skiing is big business. Ten or 15 years ago this form of winter sport was in its swaddling clothes. Today it is a lusty youngster and growing fast.

The effect of skiing on general business in Quebec is almost province-wide in its scope and intensity. It has boosted construction figures through the building of new lodges, hotels and ski chalets, many which now grace the Laurentian countryside and other favored ski areas in the province. It has also stimulated the retail business, practically every large store today having its ski department, while smaller sporting establishments find the majority of their winter sales expressed in skis, ski toggery, and other accessories. Restaurants do a roaring business wherever there is a snow-clad hill in the vicinity, while many an old-fashioned farm house has been modernized and redecorated for the profitable week-end ski boarder.

Traffic For Rails

This unique and not long ago undreamed of development has also shown to good advantage in rail transportation figures over the past few years. Figures issued by Canadian Pacific Railway, whose regular trains and winter ski specials carry thousands of skiers to the Quebec hills every year, show an increase of more than 400% in less than 10 years, an almost unheard of expansion in normal traffic development. Since the winter of 1927-28, when the C.P.R. carried a mere 14,000 skiers to the Laurentians, last year's figures represent an increase of approximately 107,000 skiers.

These figures apply only to the Laurentian hills or to Montreal, though equally favorable increases have been chalked up by numerous other ski-minded Quebec communities.

Creates Industry

Many reasons have been advanced for the phenomenal growth of the ski sport, but one contributing factor is generally agreed upon by all, that is a Canadian winter. Snow falls in every section of the province and in most cases lingers from early November to the end of April. This gives Quebecers almost half a year to participate in their favorite winter pastime that has since pushed snowshoeing, tobogganing, bobsledding and to some extent even skating, into the background.

There is another factor, however, in addition to the quantity of snow that blankets Quebec's hillsides. That is the snow's superfine quality. The ideal ski surface, as every skier knows, is made up of several inches of dry powder snow, resting on firmly packed snow bases of three to four feet. This, combined with a crystal clear atmosphere, brilliant sunshine, no wind, the mercury hovering around the 20-above mark spells perfection for wearers of the polished hickory. And as such conditions are the rule rather than the exception in most parts of Quebec, the skiing habit continues to gain many new adherents.

Prepare For Increase

Despite the war, Quebec's ski communities anticipate that this will be a better than average season. New and improved downhill runs, slalom courses, cross-country trails have been developed for the current season, while many ski communities have had their "faces lifted" for the season. Even the spiritual side of the skier has been considered, a new church having been opened for the benefit of Sunday skiers.

Quebec, because of its topography and winter conditions, as well as its proximity to large centres of population, is the outstanding ski area in Canada.

Choice Ski Area

North of Montreal lies a vast region of forest, lakes and hills, known to Montrealers as "vacationland" and designated on the map as the Laurentian Mountains. This choice area is famous for ski resorts and is matched only by its summer popularity and covers many hundreds of square miles, though the principal ski centres are concentrated between Montreal and Mt. Laurier.

Between these points ski specials and regular trains carried approximately 125,000 on week-ends and holidays alone in the winter of 1940-41. This gives some idea of the importance of the Laurentians in the North American ski picture, particularly as much of the traffic originated south of the border.

Trails Marked

The Laurentians are a blend of farm land, forest, lakes, providing sufficient cleared land to make open slopes numerous, while the forests have been threaded by mile after mile of marked trails, some that previously existed as lumber roads and others having been made to order for the ski populace. The hills are high enough to make thrilling downhill runs possible, yet never so high as to present a problem to the novice.

The most important hills are served by ski tows or chair lifts with the result that going uphill is no longer "uphill work." All in all there are about 30 first-class ski tows operating in the Laurentians today.

The Laurentian ski visitor has a wide choice of hotels, lodges and chalets to choose from, many of which cater almost exclusively to skiers from all parts of Canada and United States. The hotels, for the most part, are located at the crossroads of the best-known ski trails and have been designed to give the skier the service his favorite sport demands. Many of the hotels have their own ski tows, their own instructors, and, of course, their station wagons, while others enhance their premises with gleaming ice palaces, solariums, and other novel attractions.

Lac Beauport

Though the Laurentian hills are best known to the Quebec skier, more and more are planning their ski trips in the direction of Lac Beauport, 10 miles north of Quebec City. The Beauport development, which is accessible by bus, includes downhill runs of championship calibre, jumps and a wide assortment of nursery slopes for the beginners. Ski tows and fine chalet accommodation are also provided.

Scarcely known to the ski world five years ago, Lac Beauport has made rapid progress in the course of its development. This is partly due to the quantity and quality of snow and the splendid facilities for all types of skiing.

The Lac Beauport snowfall is heaviest on the slopes of Mt. St. Catherine and Mt. Taurbillon, where all the important runs are located. The neighboring peaks, comprising the eastern end of the Laurentian chain, catch a lion's share of the winter snowfall, depth here frequently attaining the four or five feet mark.

While the Laurentians and Lac Beauport are responsible for most of Quebec's patronage, other sections of the province have made rapid strides toward fame in the last few years. These include the rolling eastern townships, Quebec southeast, the Seigniory Club hills at Montebello, St. Gabriel de Brandon, Grandes Piles and the scenic Gatineau district north of Ottawa.

The eastern townships have a number of important points in their favor, not the least of which is the abundance and quality of snow. Then, too, there are several fine ski runs in the district, including those of Mt. Sutton, Avercorn, North Hatley and Mt. Oxford.

The growing importance of the St. Maurice valley in the ski picture was emphasized last winter when a number of special ski trains ran from Three Rivers. Though ski development in the valley is still in its early stages, each consecutive year brangs it closer to front rank status in the ski world.

Gatineau Calls Own

Quebec's westernmost ski frontier lies north of Ottawa in the rugged Gatineau country. From Chelsea, a number of fine trails lead to Camp Fortune Lodge at the Ottawa Ski Club, whose membership includes as many as 2,500 skiers a season.

The nature of surrounding ski terrain is partly the effect of the picturesque names attached to local ski trails. These include the Great Divide, Sunset, Back Lake, Horse Race and Dippers. Other key arteries that lead the way in and around the Gatineau hills are classified as Merry-go-round, Little Switzerland, Western Trail, Dome Hill and Pink Lake. In addition to these well-established ski routes, there are miles of tributary trails yet to be developed, while still more remain to be named on the gleaming Gatineau's snowscapes.

Not every ski visitor to Quebec shows style like this — but all can have fun.

An Ideal ~ in Action

TO help Quebec industry achieve ever higher standards of efficiency has been the traditional role of The Shawinigan Water & Power Company for nearly half a century.

Normally that effort has been directed to the conduct of peace time business, but as in the first world war twenty-five years ago, it is now directed towards maximum effectiveness of Quebec's contribution to total victory.

To that objective every resource of this Company is pledged.

The Shawinigan Water and Power Company

MONTREAL CANADA

Giant Market

Merchandise Trade Booms

Quebec Retail Trade Over $700 Millions Annually

Several hundred million dollars of extra buying power put into circulation by the Dominion government through the war programme finds reflection in the volume of retail trade handled in the Province of Quebec during the past year.

As an area, Quebec probably has benefitted more from the government's wartime industrial programme than any other economic area in the Dominion. The establishment of new explosive plants, shell-filling plants, gun plants, chemical plants; the expansion of industries producing war materials, on top of those industries working on an all-out capacity to meet the civilian demands, has created an almost unprecedented volume of business for Quebec's retail establishments.

Over the last two years the problem of unemployment has disappeared. Hundreds of thousands of workers have been re-established in gainful occupations. Those employed have had their hours of work lengthened, wages increased, supplemented in turn by cost-of-living bonus.

New Buying Power

The long deferred buying power of the masses made itself fully felt in 1941. Though there were shortages in some lines of goods, the supply was sufficient to take care of the record demand. As a result departmental stores, chain stores, and the independent storekeeper experienced a volume of business far beyond that reported for some years past.

The Dominion Bureau of Statistics returns on the operations of Quebec trading establishments for last year will not be available for some months. Preliminary indications are that the retail volume in Quebec in 1941 amounted to at least $700 millions. This is the estimated value of the net trade.

In 1940, the last year for which complete returns are available, the index of wholesale trade in Quebec averaged 119.2, as against the 1935-39 average of 100. The wholesale trade index for the whole of Canada was 120.7.

The growth in the wholesale trade over the last six years is indicated in the following table setting out the average annual returns for Quebec and Canada:

Trend of Wholesale Trade
1935-1939=100

	Quebec	Canada
1940	119.2	120.7
1939	108.1	109.1
1938	100.7	101.6
1937	107.4	105.3
1936	94.6	95.6
1935	89.2	88.5

Retail sales in Quebec Province for 1940 are estimated at $623.2 millions. This represented a gain of 10% over the previous year, but was still some 4% below the dollar volume of business transacted in 1930, the first year for which comparable sales figures were compiled by the Dominion Bureau of Statistics.

Practically all trades for which separate figures were compiled record increased business in 1940 compared with the preceding year, increases for trades specializing in durable consumer goods exceeding those for lines of business dealing chiefly in food or other perishable merchandise. Details are shown in the accompanying table.

This bears out the statement already made in respect to deferred buying and applies with equal force in respect to trade for 1941.

Retail Trade in Quebec

(Thousands of Dollars)

	Estimated Sales 1940	Estimated Sales 1939	Actual Sales 1930
Candy and confectionery	13,925	13,100	20,332
Grocery and combination	107,687	99,375	119,715
Meat markets	21,791	20,158	20,812
Country general	50,213	45,857	50,390
Department stores	47,978	43,537	55,477
Dry goods	11,714	10,450	11,957
General merchandise	5,699	5,190	5,779
Variety stores	16,460	14,344	12,014
Motor dealers	61,319	55,292	45,589
Filling stations	15,605	13,350	10,158
Garages	10,964	10,314	12,775
Men's clothing	15,750	14,610	17,998
Family clothing	15,898	13,693	12,401
Women's clothing	15,832	14,023	20,146
Shoe stores	7,945	7,453	10,560
Hardware	12,931	11,951	14,159
Lumber, etc.	9,050	7,065	10,541
Furniture	13,086	11,489	12,909
Radio and music	5,920	5,017	9,258
Restaurants	11,184	10,279	17,205
Farmers' supply	7,794	7,574	8,112
Coal and wood	21,444	19,181	16,875
Drugs	14,311	13,501	14,851
Jewellery	6,273	5,312	7,023
Office supplies	6,329	4,876	4,819
Tobacco	7,243	6,651	7,902
Liquor stores	17,991	17,293	26,563
Taverns	7,521	6,906	10,424
Miscellaneous	18,850	17,090	19,355

For example, stores specializing in the sale of household appliances reported 27% more business transacted in 1940 than in the preceding year; radio and music stores were up 18%; furniture stores reported a gain of 14%, while sales of the furniture and household groups as a whole gained 18%.

A breakdown of the figures on retail trade which accompanies this article brings to light a number of interesting facts.

Sales of grocery and combination stores estimated at $107.7 millions for 1940 were 8% higher than in 1939. In additon sales of meat markets (those stores specializing in meat products only) were estimated at $21.8 millions, also were 8% above the 1939 figure.

The increase for country general stores alone is similar to that for the total trade of the province as a whole, indicating that increased purchasing in Quebec province was similar for urban and rural sections. This is a particularly interesting feature of the returns, as it reflects the placement of war industries in rural rather than urban areas.

Further returns of the Dominion Bureau of Statistics show that in 1940 department store sales were up 10%; while the stores increased their business 15%; drug stores gained 6%, while conforming with the results for other sections of the country, jewellery stores registered a more substantial increase, the gain in Quebec amounting to 18%.

Sell More Clothing

Sales of the clothing group, estimated at $55.4 millions, were up 11% from 1939. Results for individual trades within the group reveal increases of 8% for men's clothing stores, 16% for family clothing stores, 13% for women's apparel and accessory stores and 7% for shoe stores.

Motor vehicle dealers transacted 11% more business in 1940 than in 1939. This increase was made on the total business of these firms including not only the sale of new and used vehicles but also receipts from the sale of gas and oil and for many service operations. There were 23,280 motor vehicles sold in Quebec for 1940, a gain of 9% over 1939. Percentage increases for passenger models and for commercial vehicles were somewhat similar. There were 18,220 new passenger cars sold in the province in 1940, an increase of 9% over the preceding year. Commercial vehicle sales number 5,064, an increase of 9% in number.

The proportion of the total retail trade transacted by chains in Quebec province increased slightly between 1939 and 1940. In 1940 there were 136 chain store companies which operated a total of 1,299 branch stores in the province and these had sales of $94.9 millions, an amount which formed 15.2% of the total sales of all retail stores including both chains and independents.

In the preceding year 134 chain companies operated 1,344 stores with $82 million sales or 14.5% of the total retail business. In 1930, the earliest year for which figures are available, there were 175 chain companies with 1,698 stores and these accounted for 18% of the total business of the province.

The chain figures quoted relate to corporate chains only, groups of four stores or over under the same ownership or management. They do not include voluntary chains consisting of independent merchants grouped for buying or buying or advertising purposes.

The proportion of food products sold through chains is smaller in Quebec than in most other parts of the Dominion as a reduction in the number of grocery chain stores which has been taking place during recent years in Quebec continued in 1940.

During that year there were seven grocery chain companies which operated 223 stores and whose sales totalled $18.7 millions or 17.3% of the total business of all similar stores. In the preceding year there were eight chains of 289 stores and $17.3 millions of sales, an amount which also formed 17.3% of the total business of all similar stores. Ratio of chain to total sales for earlier years were 18.8% for 1938, 19.5% for 1937 and 20.7% for 1936.

Position of Chains

Ratio of chains to total sales in 1940 (with corresponding ratios for 1939) are as follows: Variety stores, 86.5% (85%); chain stores, 46.8% (44.8%); restaurants, 24.1% (24.2%); drug stores, 17.2% (17.3%).

Particulars of the chain store business in Quebec province are set out below:

	1940	1939
All Stores		
Chains	136	134
Stores (max.)	1,299	1,344
Chain sales	$ 94,922,500	82,048,600
Total sales	$623,189,000	564,537,000
% chns. to total	15.2	14.5
Grocery Combination Stores		
Chains	7	8
Stores (max.)	223	289
Chain sales	$ 18,673,400	17,259,200
Total sales	$107,687,000	99,375,000
% chns. to total	17.3	17.3
Variety Stores		
Chains	13	13
Stores (max.)	126	124
Chain sales	$ 14,237,800	12,188,500
Total sales	$ 16,460,000	14,344,000
% chns. to total	86.5	85.0
Men's and Boy's Clothing		
Chains	3	5
Stores (max.)	22	29
Chain sales	$ 992,400	1,033,900
Total sales	$ 15,750,000	14,610,000
% chns. to total	6.3	6.8
Family Clothing Stores		
Chains	5	5
Stores (max.)	19	20
Chain sales	$ 2,602,100	2,137,000
Total sales	$ 15,898,000	13,693,000
% chns. to total	16.4	15.6
Women's Apparel Stores		
Chains	9	7
Stores (max.)	68	60
Chain sales	$ 2,125,600	1,692,000
Total sales	$ 15,832,000	14,023,000
% chns. to total	13.4	12.1
Shoe Stores		
Chains	17	15
Stores (max.)	121	114
Chain sales	$ 3,719,300	3,338,900
Total sales	$ 7,945,000	7,453,000
% chns. to total	46.8	44.8
Restaurants		
Chains	7	7
Stores (max.)	44	44
Chain sales	$ 2,699,800	2,483,200
Total sales	$ 11,184,000	10,279,000
% chns. to total	24.1	24.2
Drug Stores		
Chains	7	7
Stores (max.)	52	51
Chain sales	$ 2,458,100	2,335,200
Total sales	$ 14,311,000	13,501,000
% chns. to total	17.2	17.3

The huge volume of merchandise trade in Quebec naturally has evolved into a number of important trading centres. Of the 35 leading trade centres in Canada, eight are located in the province. Montreal, of course, is the largest not only in the province but in the Dominion.

The effect war and increased buying power has had on retail trade in Montreal is set out in the table below. In the 17 classifications reported it will be noted that in 1940 each group reports an increase in sales over 1939. The figures quoted, it should be noted, are not the total figures for the group mentioned but are only returns of a "sampler" group.

Trend of Montreal Retail Trade
(Thousands of Dollars)

Type of Store:	1940* Sales	% Gain Over 1939
Candy	$ 860.6	5.2
Grocery	18,477.3	4.2
Meat	4,349.3	5.6
Department	43,856.1	9.8
Motor vehicle	27,340.0	8.8
Garages	1,582.7	2.4
Men's clothing	4,622.2	8.9
Family clothing	705.3	11.0
Women's clothing	4,918.5	11.5
Shoe	1,407.8	2.4
Hardware	2,657.4	10.1
Furniture	3,002.0	16.2
Radio	2,086.4	15.9
Restaurants	2,489.9	9.0
Drug	3,870.6	5.4
Jewellery	917.6	10.3
Tobacco	736.2	9.5

*Returns of "sampler" group.

Gains Were General

As a matter of interest the trend of Quebec city retail trade is set out hereunder. The area served in Quebec city differs markedly from that in the metropolitan area of Montreal.

Trend of Quebec City Retail Trade
(Thousands of Dollar)

	1940* Sales	% Gain Over 1939
Grocery	2,460.8	9.1
Meat	1,572.2	18.5
Motor vehicle	5,213.3	14.2
Men's clothing	307.8	14.2
Family clothing	2,377.8	15.2
Women's clothing	506.5	18.1
Hardware	649.6	9.2
Furniture	202.1	29.7
Restaurants	329.2	12.6
Drug	524.0	12.8
Jewellery	67.5	7.7
Tobacco	335.6	11.8

*Returns of "sampler" group.

Quebec province's aggregate volume of trade is of such size that any increase or decrease during the course of a year has a direct bearing on numerous industries located across the country. This is readily understandable, for while the Ancient Province does produce a large proportion of its own requirements, still there is a vast variety of goods and materials which must be imported to meet the province's needs. Thus the welfare and buying power of Quebec are of the utmost importance to the whole Dominion.

This condition is obvious to those who follow the economic reports in the province, but to others it is less plain. However, the influence of the province on the business of the Dominion can be more readily appreciated by knowledge that over one-fourth of the total volume of the population of Canada lives in Quebec. These people have an annual income equal to about 26% of that for the whole Dominion and, in addition, control over 26% of the country's entire wealth.

Another factor of marked influence on the trade of the country is that many of the Dominion's largest industries have their head offices located in the province and their buying for branches activities outside the province is directed from the head office. For example, the head offices of the two trans-continental railways are located in Montreal. The majority of the Canadian chartered banks are directed from the same point. In addition many large industrial establishments, with branches across the country, direct their operations from Quebec province.

Under wartime conditions, there is imposed upon this peacetime structure, the large number of wartime industries, which, through direct buying, or indirectly through the buying power created through distribution of wages and salaries to employees, adds considerably to the volume of trade done in the province.

It is most apparent that over and above trade actually done in the province, Quebec has a direct influence on considerable volume of business handled in other parts of the Dominion.

QUEBEC'S
Favourite Magazines

2,756 issues of Le Samedi have been published consecutively over a period of 53 consecutive years — one reason why Le Samedi is the National Magazine of French-Canadians, and the banner of French-Canadian thought.

La Revue Populaire, true to its name, is now more popular than ever before, with both readers and advertisers, carrying in 1941 its record volume of advertising. December 1941 circulation also established a new high with 49,395 net paid.

In Quebec as elsewhere the publications you can count on to do a job are the publications which have done a job.

Le Samedi (weekly) 53,135, January 17th issue, 75% store sale at 10 cents a copy.

La Revue Populaire (monthly) 49,395, December issue, 52% store sale at 15 cents a copy.

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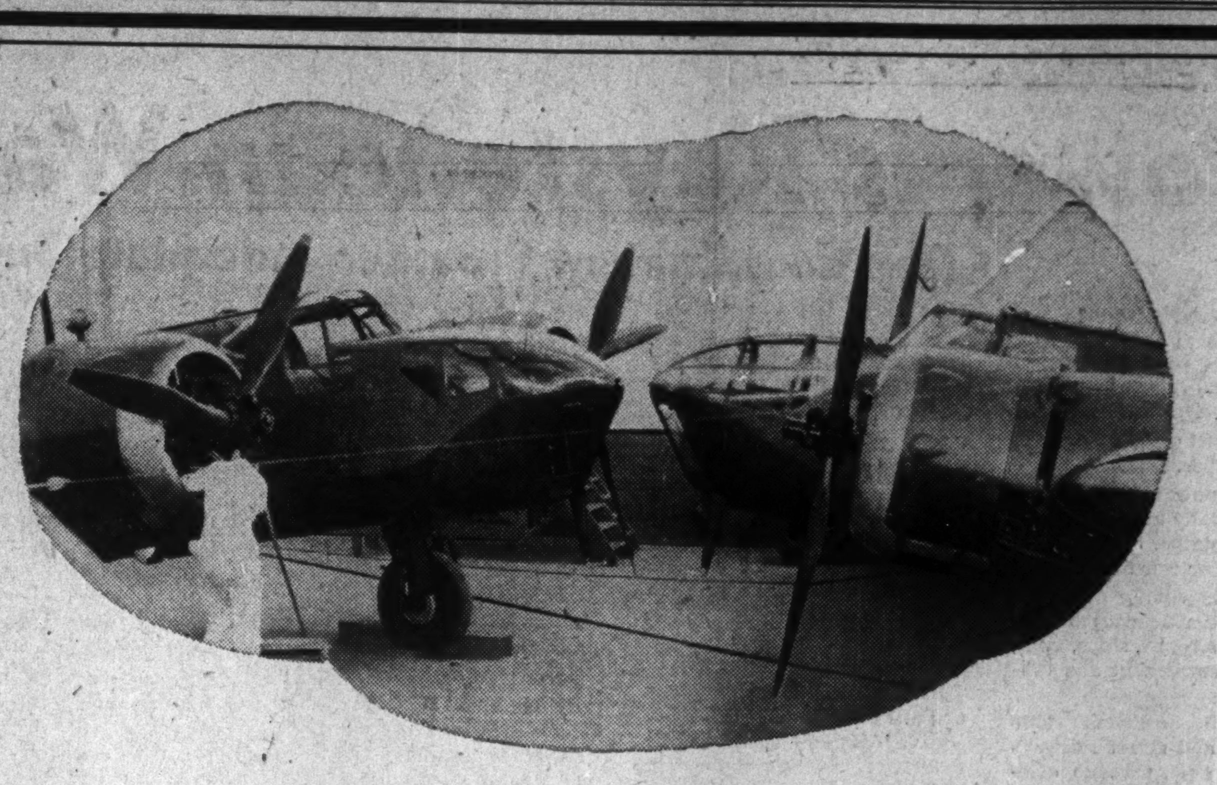


SPEAKING of VICTORY... Two "Bolingbrokes"
Discuss their Future

"My dear, that production line was certainly a whirl...

"They hardly give you time to catch your breath, do they?

"All the same we are fortunate to have been born in this Fairchild plant — such care taken to make us strong and healthy, such perfection in every detail and I've always said that the best children come from big families.

"And won't that first flight be a thrill?

"More than a thrill, dear, for you must remember that we express the hope and purpose of those in the plant who rely on us to help give freedom wings.

"We'll certainly do that, for you know we Bolies come from a great family. Our ancestor, the Bristol Fighter, first flew in 1914 and our sister, Blenheim, and our distinguished nephew, Beaufighter, are the pride of the air in Europe and Africa.

"And don't forget our forebears on this continent either. We come of a fine productive stock on *both* sides of the family.

"We're all proud, I know, to follow in the air-steps of our hosts of predecessors from this plant and, with the splendid men of the R.C.A.F., to give our lift to victory."

FA

FAIRCHILD AIRCRAFT LIMITED
Longueuil (Montreal) Canada

BOLINGBROKE BOMBERS—INTRICATE AND POWERFUL WEAPONS OF WAR

Quebec Invites You

Holidays are more important than ever in wartime. To keep up the morale, to build up new reserves of energy in order to carry on the good work for Victory, one needs rest and fresh air. Why not head for the snowy country in the Province of Québec. North of Montréal in the Laurentians, around the City of Québec, in the Eastern Townships, in Charlevoix-Saguenay and Trois-Rivières districts, there are countless ski resorts.

But you do not have to ski. You may indulge in skating, snowshoeing, tobogganing, etc. You may explore the countryside, or ride to the Chalet in the great park atop Mont Royal in Montréal, or ramble through the Québec City streets in a horse-drawn sleigh with jingling bells. And then, in a comfortable lounge, with crackling wood in the fire-place the only noise, you may relax with a good book.

There is nothing warmer than the hospitality of the people of Québec. They like to meet you and you will enjoy meeting them. The Old World of Canada waits for you.

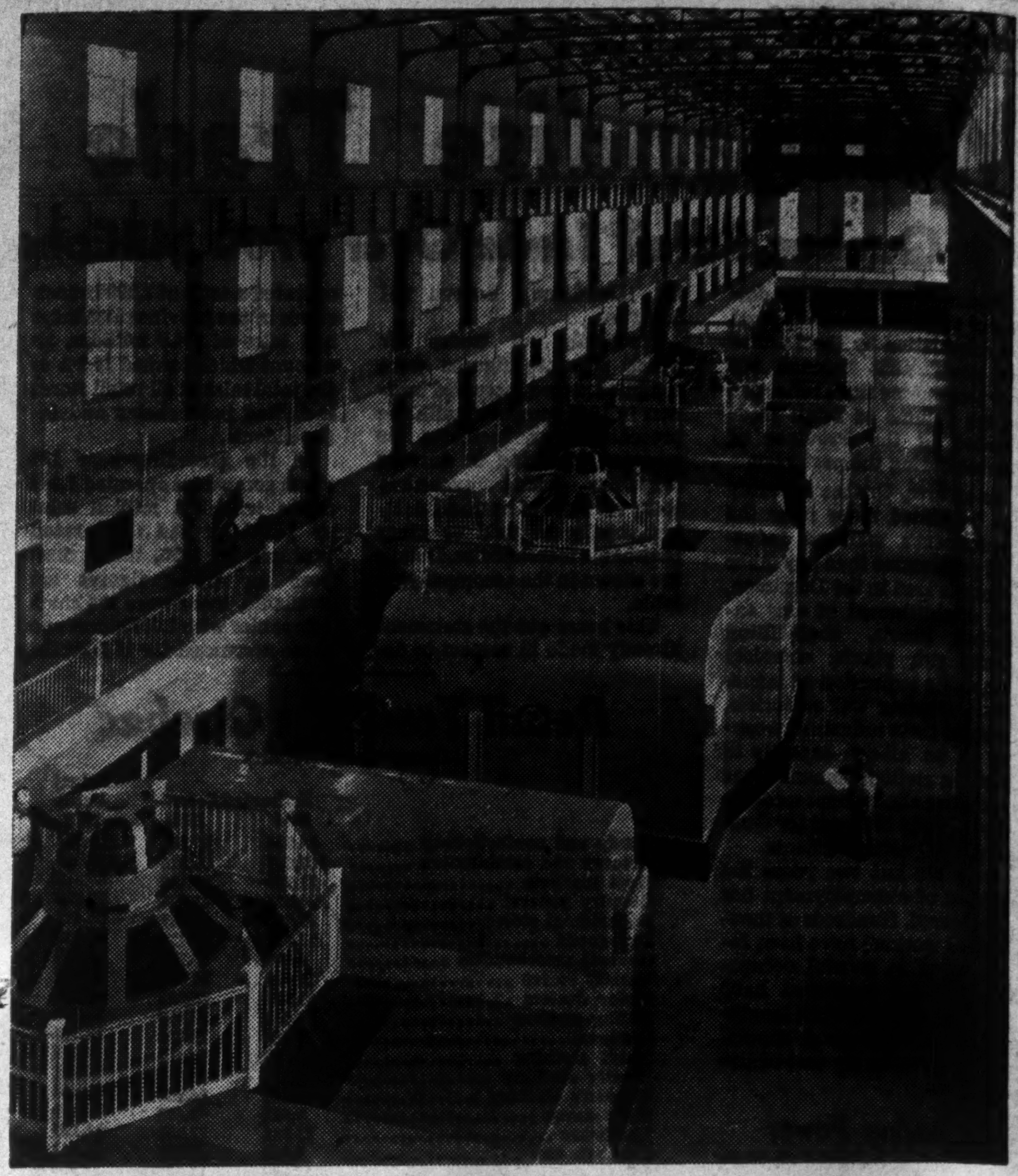
LA PROVINCE DE
Québec
TOURIST BUREAU
QUÉBEC • CANADA

—C.P.R. photo.

Raw Material of Weapons

Power is Keystone in War Effort

Close Coordination Provides Adequate Supply



Streamlined for Power. This view of the new 178,000 h.p. plant of the St. Maurice Power Corp. shows the type of power plant that makes possible Quebec's production of war materials

Canada's war effort in the manufacture of materials and supplies has been made possible by the central electric station industry and particularly that part of it in the province of Quebec.

Electric power makes possible the vitally important supply of aluminum, copper, lead, zinc and other war materials.

Electrical energy also is needed for the factories making munitions, aircraft, ships, guns, motorized equipment and uniforms.

Telephone utilities, cable companies and street railways have been able, through electricity, to play their roles in moving products from the assembly lines of factories to the battle lines of democracy.

It is no exaggeration, therefore, to say that the power industry has made possible the present scale of Canada's war effort.

Keystone of Industry

Quebec's power industry has been the keystone in the manufacture of munitions, aircraft, ships, and other war materials and supplies. The great industrial effort of the Dominion is concentrated in the provinces of Quebec and Ontario and if it were not for the supplies of energy made available by the operators in Quebec, then the industrial effort of these two provinces would be on a considerably smaller scale.

When the war started Quebec was in the fortunate position of having a large supply of surplus power. This was due to a combination of circumstances, but largely to the policy of the industry in building to anticipate needs. It takes from three to four years to bring a new power plant into operation, and it was a particularly fortunate thing for Canada that the Quebec industry had not let down in this policy.

Because of the availability of large supplies of surplus power, the Dominion government undertook to establish many large war plants within the province. It also undertook to expand considerably the existing industrial facilities, all because this electrical energy was available.

The establishment of industrial war plants in Ontario was undertaken for the same reason though in the case of that particular province it was dependent upon Quebec for a large share of the power supplied to these new plants.

Anticipate Needs

Preparedness for war production has been the prime objective of the Quebec power industry since the war started. Not only have the power companies to provide for the rapidly increased demands for electrical energy within their own territories, but they have improved and added to their central high-tension systems to ensure a more efficient total power output than has hitherto been thought possible.

Last year new hydraulic installations in Quebec totalled 230,000 h.p., made up of additions and betterments to existing plants.

The programme of expansion continues. The Aluminum Power Co. has under way the installation of two 65,000 h.p. turbines at its Chute á Caron plant; one of which is expected to be in operation next month and the second shortly afterward.

These two units will be transferred later to the company's new Shipshaw plant on the Saguenay River, where half a million h.p. is being installed.

The Shawinigan Water and Power Co. and other operators have made improvements to their various plants which have increased the available supply of power. For example, Shawinigan by improvements to and rearrangements of its transmission system released some 80,000 h.p. in the Montreal district to provide additional power for the Arvida aluminum works and by gradually reducing or discontinuing its supply of electric boiler power has made a further 200,000 h.p. available for war industries.

All these developments are reflecting the amount of power which the Quebec power companies have made available to industry. In the first 11 months of 1940, Quebec produced 16,040 million kw.h. of electrical energy. This established an all-time record and compared with 14,663 million kw.h. for the like period of 1940.

The manner in which power production in Quebec has expanded since the war started is set out in the following table showing monthly production since the beginning of 1939:

Power Output in Quebec
(Thousands Kilowatt Hours)

	1941	1940	1939
Jan.	1,350,870	1,319,443	1,273,586
Feb. ...	1,245,045	1,271,131	1,194,388
Mar. ...	1,374,267	1,283,967	1,282,071
Apr. ...	1,432,222	1,241,559	1,169,572
May ...	1,490,490	1,444,690	1,261,190
June ...	1,329,568	1,412,814	1,211,639
July ...	1,405,833	1,449,409	1,187,733
Aug. ...	1,367,794	1,279,699	1,264,903
Sept. ...	1,561,197	1,313,254	1,394,323
Oct.	1,722,889	1,288,486	1,411,488
Nov. ...	1,760,644	1,325,344	1,335,256

Reflect Activity

These figures give the overall increase in power production. A more reliable guide to the greatly increased wartime demand for Quebec electrical energy is to be seen in the figures on firm power consumption which provide an accurate measure of industrial activity in the province.

Figures released by the Dominion Bureau of Statistics, show firm power consumption in Quebec for the first 11 months of 1941 at 14,266 million kw.h. This contrasts with 11,202 million kw.h. for the like period of 1940, an increase of 30%.

At present, and for some months past, the amount of firm power used by Quebec industries has been larger than that reported for any other province in the Dominion.

Quebec Firm Power Consumption
(Thousands Kilowatt Hours)

	1941	1940	1939
Jan.	889,378	640,877	575,646
Feb. ...	820,793	611,499	522,681
Mar. ...	929,575	657,355	576,369
Apr.	894,694	651,597	551,882
May ...	914,076	694,712	565,998
June ...	930,192	673,399	553,178
July ...	950,033	687,804	568,078
Aug. ...	969,123	719,572	591,654
Sept. ...	1,044,144	720,615	569,086
Oct.	1,132,800	783,578	614,078
Nov. ...	1,110,860	770,369	603,321
Dec. ...	......	808,651	605,716

The rate of increase has been more rapid recently as new war industries have come into operation. For example, firm power consumption in Quebec for November, 1939, was 603 million kw.h. A year later, consumption had advanced to 770 million kw.h. and in November, last year, to 1,110 million. kw.h., an increase not far short of 100%.

Limit Power Use

This abnormal advance for power consumption has been made possible through coordination of high-tension transmission systems, restriction in electrical boiler load and other economies.

The co-ordination of transmission systems has made for greatly increased efficiency in the use of available supply of energy. But the biggest help to the industry in meeting the wartime demand has come about through restricting deliveries of energy to electric boilers.

To date, well over 200,000 h.p. has been made available through curtailment in the use of energy for electric boilers.

The effect of this wartime policy on this branch of the industry's activities is set out below:

Deliveries to Electric Boilers
(Thousands Kilowatt Hours)

	1941	1940	1939
Jan. ...	119,202	359,063	404,302
Feb. ...	108,003	363,005	395,943
Mar. ...	97,624	309,838	401,031
Apr. ...	195,275	261,057	336,747
May ...	222,679	398,126	395,175
June ...	59,886	414,348	370,695
July ...	102,497	420,253	343,120
Aug. ...	40,925	303,026	352,030
Sept. ...	133,018	238,147	411,501
Oct.	168,255	200,796	476,214
Nov. ...	234,795	193,328	477,645
Dec. ...	......	180,462	410,190

Vital to Economy

So much for Quebec power industry's share in the war effort. In peace the industry's contribution to the economic and social advancement of the province has been of vital importance.

The timber resources of the Lake St. John and Saguenay regions, of the upper St. Maurice and the Gatineau and Lievre river valleys would never have reached their present stage of development had it not been for the close proximity of immense resources of water power. Nor would the mining industry have grown at such an amazing rate in recent years, nor the multitude of industries from one end of the province to the other.

One and all the development has been largely, and in some cases wholly, dependent upon an adequate supply of low-cost power. This has been made possible through development of water power sites from as far north as Lake St. John to the Ontario border in the south.

Take Place of Coal

Quebec, like the sister province of Ontario, while having an abundance of natural resources, is lacking in coal. But water power has been used successfully for motive power, steam, lighting and domestic uses. In some areas hydro electricity has even replaced coal for heating purposes.

Quebec is singularly fortunate in her water power resources. The topography of the land is conducive to a great water power industry. The immense watersheds in the Laurentians and the flow southward to the St. Lawrence create numerous water power sites of first magnitude, not only close to large industrial centres, but extremely economical of development.

These resources, while widespread, are concentrated in several well-defined areas. In the north is Lake St. John flowing into the Saguenay which in turn is fed by the Shipshaw, Peribonka and other important rivers. Here are the huge power plants of the Aluminum Power Co., Saguenay Power Co., Price Bros. and Co., Quebec Pulp and Paper and other operators, generating in all over one million h.p.

Huge Power Sites

Moving up the St. Lawrence to the St. Maurice River, there is one of the largest concentrations of hydro-electric energy in the world. Through construction of the Gouin and subsidiary dams, the flow of this river is regulated to make possible the development of over two million h.p. At present several sites have been developed with an installed capacity of over a million h.p.

In the Montreal region, the outstanding development is that of Beauharnois, with an installation topping 600,000 h.p. Nearby is the huge plant of the Cedars Rapids Power & Manufacturing Co. and the smaller plants of the Lachine Hydraulic and Canadian Light and Power Co. and, on the back river, the Montreal Island Power plant.

In the eastern townships of the province there are a number of power developments. While they are relatively small, still the amount of hydro power made available has been a major factor in the industrial development of that area.

Along the Ottawa and Gatineau Rivers are a number of major power projects, including the three large plants of the Gatineau Power Co., the Ottawa Valley Power plant at Chats Falls and the Maclaren-Quebec unit on the Lievre River.

Development of the power resources of Quebec has proceeded steadily and, at times, at an amazing rate. In 1907 installation capacity was only 82,864 h.p. At the beginning of 1942, the installation had grown to nearly 4.6 million h.p., giving the province more developed hydro power than is to be found in all Asia, South Africa or even South America.

Pulp and paper industry accounts for by far the larger share of the power output in the province. At the same time, electro-chemical and electro-metallurgical industries at Arvida, Shawinigan Falls, Beauharnois, Montreal and elsewhere are important users of electricity.

NEWSPAPERS
have their part to play

Shoulder to shoulder with her sister provinces, Quebec is playing a vital part in Canada's war effort.

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4. Advise Québec merchants and industrialists about current demands and sale possibilities for our commodities.
5. Undertake special inquiries concerning sales openings for Québec products.
6. Endeavour to expand our markets and to provide market and other information for those outside the province interested in establishing themselves here.
7. Attract foreign capital and new industries to the Province.
8. Promote tourist traffic.
etc., etc.

Principal Agencies of the Province

(a) Now functioning: Ottawa, New York, Trinidad, West Indies
(b) Projected: London. South America

For further information apply

to the Deputy Minister MR. LOUIS CODERRE, L.Sc. or to the Minister, THE HON. OSCAR DROUIN, K.C.

Department of Trade and Commerce
and Municipal Affairs

Development

Quebec Pushes Trunk-line Highways

Province Has Been Engaged on Extensive Programme

In 1941 Quebec undertook one of the most important highway construction and improvement programmes in its history. It organized 932 construction projects, large and small, on its ordinary roads and 699 on colonization roads, a total of 1,631 projects. By the end of the year work had been completed on 778 miles of roads, including 55 miles of paved with cement concrete, 240 miles of bituminous concrete and 483 miles of gravel.

In the preparation of its road-building programme last year the government considered that the evolution of traffic and transportation required construction of some main arteries, principally between the United States border and Montreal, the Ontario border and Montreal, as well as between Montreal and Quebec City. This work also involved the improvement of certain provincial arteries.

Need Trunk Lines

Another matter which was given careful consideration was the question of military highways, especially in the eastern part of the province and the Richelieu Valley which forms one of the strategic zones of the North American continent. Furthermore, outside the main communication highways between Quebec, the neighboring provinces and the United States, roads for evacuation are necessary to the centres of large populations and also roads to serve munition factories, airdromes and important public utilities.

The programme finally decided upon by the province took into account not only the ordinary requirements of tourist traffic and commercial transport, but also the military needs of the country.

Three Main Projects

The main arteries needed by the province were set down as three in number, one to connect Montreal with the Ontario border, another to join Montreal to New York State line and a third to link Montreal to the City of Quebec.

The work programme decided by Quebec for the 1940-41 fiscal year, a period of nine months, involved a total outlay of $15,770,000. This constituted a per capita expenditure of $4.50; one of the largest reported by any of the Canadian provinces.

The road building programme in the Province of Quebec up until after the outbreak of war was predicated upon three factors: improved social conditions, attraction of automobile tourist traffic and unemployment relief. During the depression years millions of dollars were spent by the government on highway construction to provide work for those who could not be assimilated by industry.

The great stimulus to highway building in recent years has been the desire to encourage the growth of automobile tourist traffic. Tourism has developed into a big business and in order to secure a fair share of it, Quebec has made a special drive to provide excellent highways in order to attract the visitors.

This resulted in the hard surfacing of many hundreds of miles of highways in the province. In the laying, however, there was a serious need for main trunk lines and it is this type of work on which the government has been concentrating for the last two years. The work is now well advanced and by the end of this year excellent high-speed, all concrete roads should be available between the metropolitan centres of Quebec and Ontario and New York State.

Big Investment

At present Quebec has an investment of nearly $280 millions in its highways. All sections of the province are linked up in the 18,500-mile good road system radiating from Montreal and Quebec City. The type of improved road and mileage in the province is set out in the table below:

Type of Road	Mileage
Cement concrete	228
Bit. concrete	1,727
Bit. macadam	1,353
Bit. on gravel	854
Gravel	15,173
Total	19,335

In 1927 the government was authorized by legislature to take charge and defray the cost of maintenance of all improved rural roads. The law in Quebec pertaining to this matter is unique not only in Canada but in the whole of America.

For road purposes the province is divided into six districts, each in charge of an engineer under the direction of the chief engineer of the department. The districts are sub-divided into sections, each also in charge of an engineer. These divisions number 34. The divisional engineers attend to the construction and maintenance of rural roads within the limits of their territory as well as to the building of bridges of less than 20 ft. of span.

Keep Roads Open

About the same time the government also undertook the maintenance of certain winter roads to permit automobile traffic. There were many difficulties to this project owing to the length of the winter season, frequency of snowfalls and narrowness of the roads lined with dwellings. However, the winter roads kept opened increased from 85 miles in 1929 to 361 in 1932, to 453 in 1935 and 777 in 1940. Of this total, 604 miles are kept open in Montreal district, 124 in the Quebec district and 29 in that of Chicoutimi.

The entire highway bill must be paid out of taxes of various kinds, some levied at the time expenditures were made and others in subsequent years for interest on retirement of debentures.

In some provinces debentures are issued for particular projects, but in Quebec the practice has been to provide for highway capital expenditures out of the consolidated fund. Again in recent years part of the outlay has been covered by Dominion government subsidies, under the Unemployment Relief Act. In connection with the latter it should be noted that the money so advanced was in the main, considerably less than that given to other provinces.

Revenue for the building of highways and their maintenance in Quebec comes principally from registration of motor vehicles, operators' licenses and the gasoline tax.

With the increase in the use of automobiles, both for private and business purposes, revenue from registrations and drivers' licenses has naturally moved forward. For example in 1922 the province reported an income from this source of less than $2 millions, whereas last year income totalled nearly $7 millions.

The gasoline tax, which was instituted in 1934, has become an increasingly important source of income for the province. And this not only reflects a greater consumption of this fuel, but also an advance in the tax rate from two cents to eight cents a gallon.

Since 1935 provincial revenue from gasoline tax has exceeded income from registrations and now amounts to over $11 millions annually.

The revenue received by Quebec from motor vehicle registrations, licenses and gasoline taxes in 1940, the last year for which complete returns are available, totalled $18.1 millions or approximately the same figure as was spent on capital cost.

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Wealth From Land $2 Millions Year

Agricultural production in the Province of Quebec has an annual value of over $200 millions. In this respect Quebec ranked as the third most important agricultural province in the Dominion in 1940 when Ontario and Saskatchewan occupied first and second place, respectively. On the average, however, Quebec is only surpassed by Ontario as a producer of new agricultural wealth.

In 1940, the last year for which complete returns are available, the province's agricultural production totalled $213 millions, compared with $208 millions in 1939 and $197 millions in 1938. Roughly Quebec accounts for about one-sixth of the total Dominion production.

The diversification of agricultural endeavor is apparent from the following table, which shows agricultural income derived from 12 major sources. Field crops top the list followed by dairy products, farm animals and poultry products in the order named.

Capital Employed in Fisheries

Primary:	1940	1939
Sea fisheries	1,963,649	2,146,976
Inland "	121,826	164,966
Processing plants	509,050	407,255
Total	2,594,525	2,719,197

Value of Fisheries

	$		$
1921	1,815,284	1937	1,892,030
1925	3,044,919	1938	1,957,879
1930	2,502,998	1939	2,016,983
1935	1,947,259	1940	2,002,053
1936	2,108,404		

'Smokes' for the Dominion

Canada's Tobacco Trade Centres in Quebec

When Private Bill Jones, "Somewhere in England," receives a box of cigarettes from his folks back in Canada, the odds are 80 to 1 that the cigarettes were manufactured and shipped from a plant in the Province of Quebec.

Most Canadians associate tobacco and the tobacco industry with the rich tobacco lines of Southern Ontario, but the centre of the industry is, and always has been, in Quebec.

Pioneered Trade

Quebec is the province that gave birth to Canada's tobacco industry, that pioneered most stages in its very development and is still the centre of its manufacturing activity.

Up to 100 years ago "Tabac Canadien," a product of Quebec, dominated the sale of tobacco in Canada. It was in the back shops of Quebec merchants that all the experiments in the cutting and blending of imported leaf were conducted, and subsequently created the demand for what is now known as cut smoking tobacco.

Canada's first machine-made cigarettes were made in Montreal. And while naturally there has been some spread of tobacco manufacturing in other provinces, in each of its kind there is more being manufactured in Quebec today than in all the rest of Canada combined.

Centre of Industry

There are 80 tobacco manufacturing establishments in Canada, but the trade is under control of three manufacturers, all of whom have their principal operations in Montreal.

According to the latest statistical returns, 51 of the 80 tobacco manufacturing plants in Canada are located in Quebec. They represent a capital investment of over $51 millions and their net value of production in 1939 was just short of $40 millions.

The dominance of the Quebec branch of the industry is indicated by the fact that the capital in all Canadian plants is only $60 millions, while the net value of production is $47 millions.

Grows Tobacco

While Quebec can make claim to manufacturing 80% of all the tobacco offered for sale in the Dominion, it only produces about 15% of the total Canadian tobacco crop.

Up to 1900 Quebec accounted for two thirds of the pipe leaf tobacco and local types of cigar leaf grown in the Dominion. But supremacy in that branch of the industry has long since passed to Ontario due to the discovery, first, that Essex County was admirably adapted to the growing of burley tobacco—a type in high favor of pipe smokers — and, secondly, that the soil and climate of large sections of Norfolk and Elgin counties were ideal for the growing of Virginia or flue-cured type of leaf demanded by cigarette smokers.

It was the latter discovery that brought about a ten-fold increase in all types of commercial leaf production between 1900 and 1940 and created a condition under which the domestic production was greatly in excess of market requirements.

Prior to 1936 production of tobacco in Quebec was confined exclusively to types suitable for use as cigar fillers and for Quebec pipe tobaccos.

The average yearly production for the five years ended in 1935 was 6.7 million lbs., valued at $480,000. Not until 1934 was any flue-cured leaf grown in the province, and then only as an experiment. The first commercial crop of flue-cured was harvested in 1936 and amounted to only 22,000 lb.

Since then, however, cultivation of flue-cured tobacco has been greatly extended.

Worth $1.7 Million

Final estimates for 1941 are not available, but in 1940 Quebec produced over 13.1 million lb. of tobacco valued at just under $1.7 million.

Flue-cured tobacco was the most important type produced in respect to dollar value, accounting for about one half of the total. In volume, cigar leaf was in the lead, followed by flue-cured, large pipe, medium pipe and small pipe tobacco.

Value of Tobacco Crop

	$
1940	1,679,400
1939	1,655,500
1938	1,157,000
1937	1,098,500
1936	844,800
1935	641,400
1934	831,600

PROGRESS

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Our Company pioneered the manufacture of certain types of mining castings, which previous to our entry into this field, had to be imported for Canadian users.

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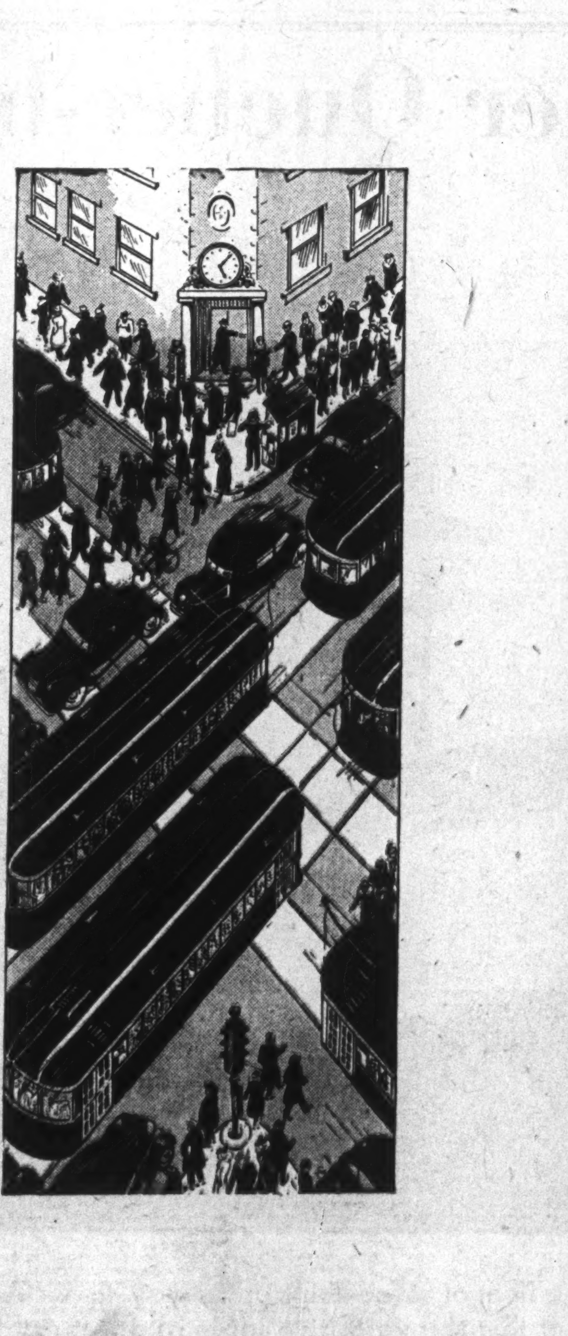


CONGESTION of traffic is delaying Canada's war effort. Street space, intended for the movement of people and merchandise, is for several hours of every day hopelessly inadequate. It cannot carry the traffic, demanded by increased war activity.

Vehicles, trucks, trams, and buses, are fighting for space to move through crowded public thoroughfares. Instead of movement, congestion results. Deliveries of vital materials, and thousands upon thousands of war workers are being delayed. The progress of war production is handicapped.

A remedy for business and busy people is available. "Staggered Hours" of work can be adopted and "Parking" on main thoroughfares prohibited. Then Canada's war effort will move faster.

Because, factories, large offices, and stores, with thousands of employees begin and end day work shifts at nearly the same time, "Rush Hours" and "Peak Loads" develop. It is, also, during these times, that vital war materials must be delivered to industry and rushed to terminals.

If opening and closing hours were each spread over longer intervals — say from 7.00 to 9.30 a.m. and from 4.00 to 6.00 p.m. —there would be a more normal traffic flow, through vital arteries of the city.

Thus, by planned "staggering", business and transportation can co-operate for mutual advantage and make a definite contribution to the needs of war.

MONTREAL TRAMWAYS COMPANY

Quebec Expanding

Drive Opens 75 New Parishes

Cradle of Canada's Growth, Province Pushes Aggressive Plan

Cradle of colonization in this country, Quebec has always taken a keen interest in opening up its farm lands to settlers and helping them with grants and assistance in establishing themselves on a self-sustaining basis.

Since the beginning of the present century 75 new rural parishes have sprung up in Abitibi, Temiscamingue, the Eastern Townships, Temiscouata, Gaspé and throughout the lower St. Lawrence region.

Particularly during the past 25 years, immense regions of forest domain have been developed into farming regions. For instance, Abitibi, which in 1910 was virgin forest, has now 50 thriving farming centres and progressing settlement regions.

Help For Settler

Formerly pioneer life of these new regions was a hard experience. However, with the inauguration in 1925 of more effective government aid to settlers, particularly clearing and ploughing grants, the lot of the settlers was made considerably easier.

Through the medium of different colonization plans, the Province of Quebec established on the land from the spring of 1935 to the middle of 1940 some 13,356 new settlers with families numbering 61,554 persons.

The biggest plan ever launched by the Quebec government was the Vautrin plan of 1935 when $10 millions was voted for expenditure between July, 1935, and June 30, 1937. Largely due to the co-operation of settlement societies created in all dioceses of the province (co-operation which is still continuing) the Vautrin plan has been successful.

In the original working out of this plan settlement was divided into groups. To that end several hundred families, or bachelors desiring of found homesteads, would be sent to a given township. All worked together in the first clearings of land, the construction of homes and the making of roads. This group system permitted the immediate creation of all organization required for a parish and had the effect of doing away with the isolation which made difficult the first years of the settler's life in the new region.

Under the Vautrin plan 7,419 settlers, married or bachelors, representing 29,411 persons, were established in new country.

Work With Ottawa

In 1936 an agreement was reached between the Dominion government and that of Quebec to work together on colonization for the benefit of married unemployed, who were to be established on arable land capable of supporting families. Each applicant was allotted a credit of $1,000 of which $820 might be utilized during the first two years; $100 the third and $80 the fourth year. The amount of $820 included $250 for the construction of a house, transportation costs, and the rest was payable in monthly allowances of $15 to $22, depending on the number of persons in the family.

According to the agreement the Dominion government, the provincial government and the municipality from which the settlers left to take up land, provided each 1/3 of the $1,000 grant. Later the Provincial government assumed the municipality's obligation along with its own, except in the cases of certain large towns and cities which found their contribution to the plan a better investment than direct relief.

Between May, 1937 and June, 1940 there were 10,846 applications received under this plan. Of this number 5,559 were approved. Of the families accepted, 3,205, representing 20,412 persons, were still on their farm lots at the end of June, 1940.

In the year 1940-41, 1,122 families were established under this plan, but for 1941-42 the Dominion government limited the number to 400 families for the year.

Helping Hand

The plan applied only to married unemployed. The Quebec government inaugurated in 1937 another plan to be applied to both married people and bachelors who, though not strictly "needy" yet required some assistance to ensure their establishment in new regions.

This plan provides a diversity of grants; $250 for the building of a house; $75 for the building of a first barn; premiums for clearing and first ploughing, which reached $15 an acre each. These premiums are payable to settlers established on Crown lands, and who have less than 30 acres of land tilled on their lot.

From 1937 to 1940, 2,732 settlers, representing 11,751 persons, were established under the provincial plan.

Since July, 1940, a further grant allowed under the Provincial plan was a monthly subsistence allowance to new settlers. This applies only to the first year of their establishment and amounts to $8 a month for bachelors and from $10 to $16 for families, according to the number of children.

Generous Assistance

1940 and 1941, 2,180 settlers benefitted from the provincial plan, of whom 857 received a premium of $250 for the building of a house, and the others $150 because their houses were built on previously started lots. The government helped 381 others to repair their houses. The premium of $[illegible] for barn construction was accorded to 365 settlers in 1940 and 1,000 in 1941.

To repair settlers' houses and the construction of barns involved a capital outlay by the government of $227,000 in 1941.

The premium for clearing and first ploughing was considered the best kind of grant, since it is a stimulus to the development of lots as farming land. In 1933, this premium was $4 an acre. Today it is $15 for clearing and $15 for first ploughing.

During the past six years the provincial government has paid out to settlers $4,397,726 for clearing and ploughing. During that time over 265,000 acres have been cleared on new lots and over 125,000 acres brought under cultivation.

Helps With Seed

In addition to these grants for clearing and ploughing, the Quebec government also distributes gratis to the settlers seed grain to an annual value from $250,000 to $[illegible]0,000.

The opening of roads in new regions has offered gainful employment to settlers during their first years on the land and thus greatly facilitated their establishment. During the past 5 years Quebec has expanded $15,252,028 on such construction. With that expenditure there were opened up some 2,000 miles of new roads, construction completed on another 2,500 miles and repairing done on some 9,000 miles.

Today the tendency is toward having the roads precede the settler into new country, instead of having to work on the roads, he is being encouraged to work more on his lot.

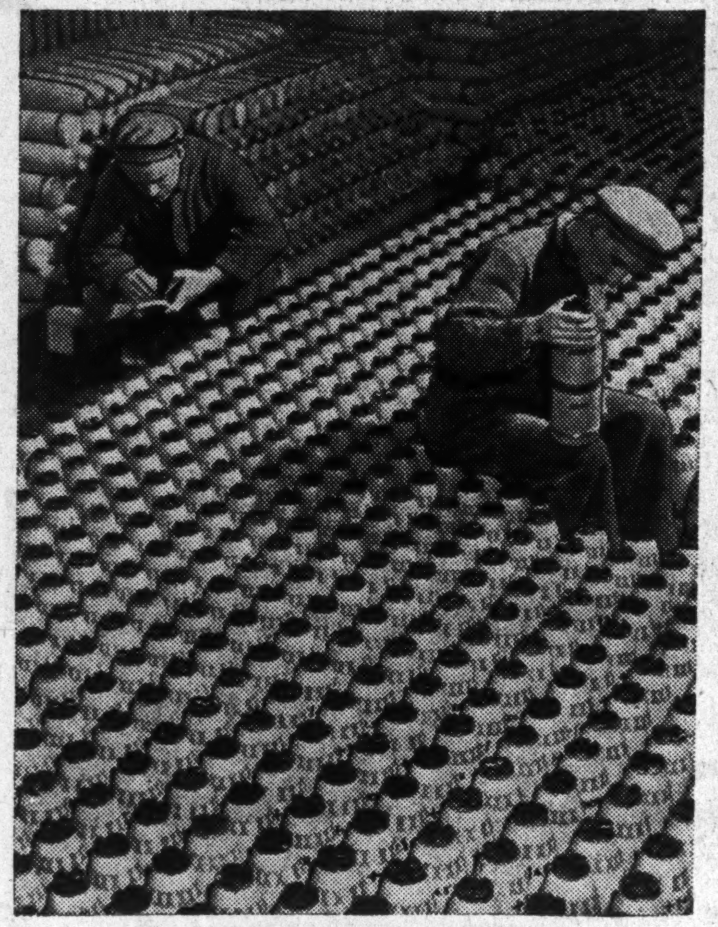
To that end last year the policy of motorized clearing of new land in most of the colonization regions was begun. The results were so satisfactory that this year Quebec is placing 32 big 70-h.p. tractors at the disposal of settlers for land clearing operations.

The assistance which the Quebec government gives toward colonization does not end here. Since July, 1940, the Department of Colonization has been carrying out a helpful policy of providing good milch cows in new regions. For the purchase of the first cow, the settler has to pay only $25, the government paying the balance. During the summer of 1940, 457 cows valued at from $60 to $75 each, were shipped to new regions under this plan. Last year the number was nearly 800.

The government also facilitates the establishment of butter and cheese factories by granting financial assistance. This is done only in regions where the insufficient supply of milk seemed to make it an economically sound proposition.

The government also has supplied on easy terms a number of stallions, bulls, lambs, etc. In 1941, for example, over 3,000 lambs were shipped in to the new colonization region.

In the 25 years that the Quebec government has been giving serious attention to the question of colonization, its policies have been twofold; to extend the agricultural domain and to retain on the land at least a portion of the excess population of the older parishes



Millions made and millions more to come; not so many months ago a field of corn grew in the spot where these howitzer shells now project their snouts. Located in Quebec, this new plant is one of the largest in the British Empire.

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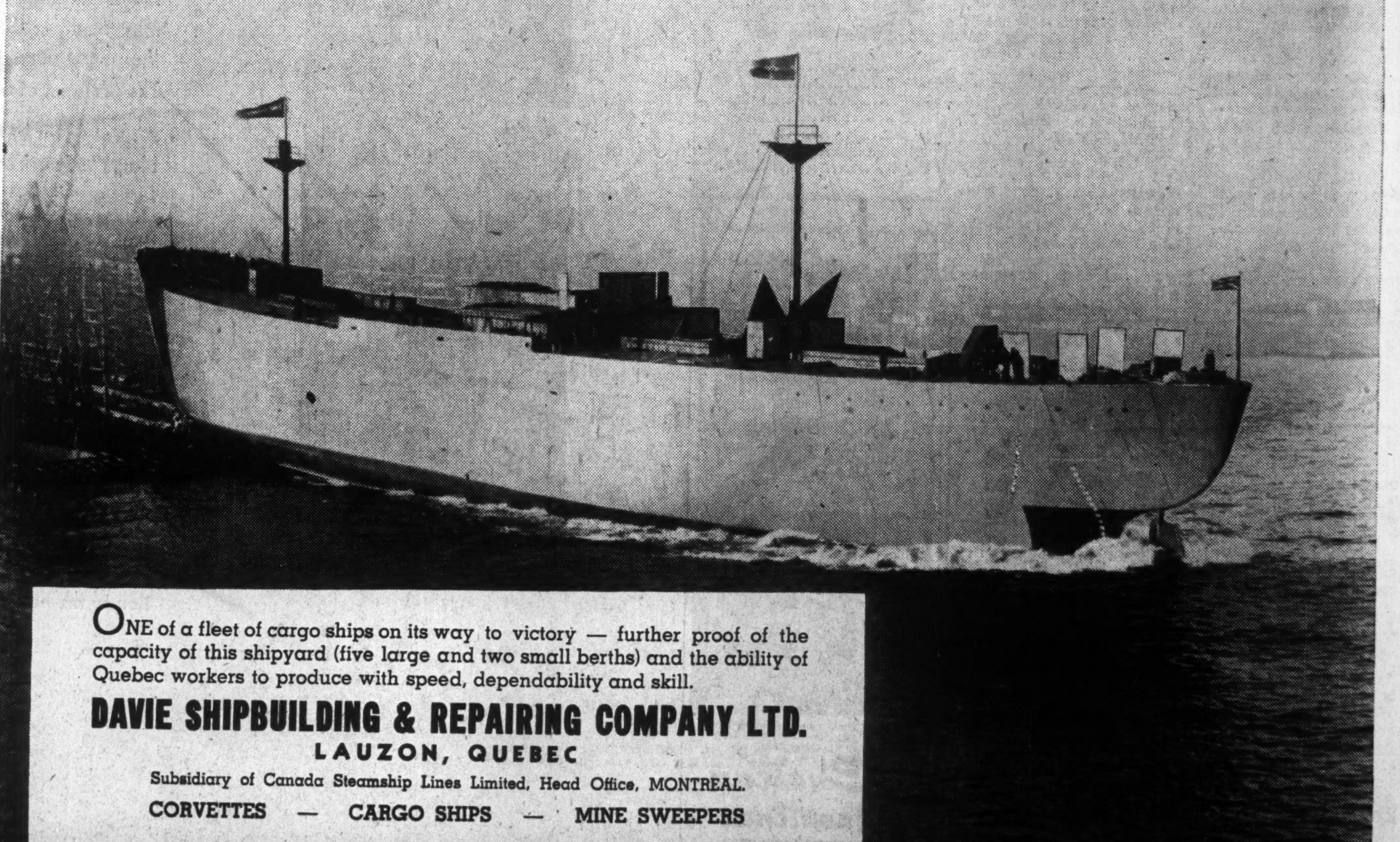

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Production for War

Quebec Industrial Plants Running Full Out

Wartime Demands Answered With Record Volume of Production

Quebec's manufacturing industries established an all-time record in 1941 in respect to both volume and value of production, reflecting the tremendous demand made upon industry for wartime supplies. In this respect, Quebec's industries played a notable part and the contribution in more than one field was of the utmost importance.

Since the war started, existing plants have been enlarged. Many large new wartime industries have been established, employment has increased to record proportions.

Every branch of industry has been affected by the changed conditions. Capacity operations have been and are the rule in such fields of manufacturing as iron and steel, textiles, machinery, clothing, boots and shoes, meat packing, smelting and refining, etc. Other sections have not lagged. The composite picture of manufacturing in Quebec is one of peak activity.

Make Heavy Call

In certain respects the great industrial resources of Quebec have been called upon more than those of other provinces to meet war conditions.

The availability of raw materials, ample power reserves, labor supplies and exceptional transportation facilities led the Dominion government to establish many of the new war industries in Quebec.

One of the great outstanding wartime developments has been the doubling and redoubling of the great aluminum works at Arvida. This, together with the demand from other industries, has entailed a highly important expansion programme on the part of the hydro-electric industry to keep pace with the demand for electrical energy.

The iron and steel mills have greatly expanded. The same condition applies to industries associated with non-ferrous mining and smelting. Purely wartime industries, such as explosives, shell-filling, chemicals, etc., have been set up to meet special requirements.

Use More Power

Sufficient information is not available to permit of an accurate estimate of the value of manufacturing production in Quebec last year. Because of wartime restrictions, production figures of many key industries are no longer made public. On the other hand, a fairly close approximation of the degree of activity can be determined by the extent of electricity consumption. The amount of firm power consumed in Quebec at this time is roughly 30 per cent greater than a year ago. This implies that the industrial output of the province has advanced in almost equal proportions.

Heavy Returns

According to the most recent returns released by Ottawa, there are 8,373 industrial establishments in Quebec, representing a capital investment of $1,182 millions.

These plants had a gross value of production in 1939 of $1,045 millions, of which sum $537 millions represented the cost of materials, and $224 millions, salaries and wages.

In peacetime Quebec accounts for about 30% of the Dominion's industrial output. It has achieved this highly important position, more on account of large individual industries, than because of diversification of operation.

The Quebec section of the pulp and paper industry, for example, in addition to supplying about 10% of the total gross value of all products manufactured in the province, furnishes about 47% of the Dominion's total for this industry.

The ratios of output in other Quebec industries to production in the Dominion as a whole, are: Cotton yarn and cloth, approximately 70%; railway rolling stock, 47%; tobacco products, 86.5%; women's factory clothing, 75%; men's factory clothing, 57%; leather boots and shoes, 60%.

Widely Diversified

The predominance of the foregoing industries is not to be denied, yet it is noted that Quebec Province can boast of 40 industries with an annual production valued in excess of $6.5 millions each. As already mentioned, one industry alone accounts for over 10% of the province's total manufactures, yet the degree of diversification compares relatively favorably with that reported in other provinces.

Pulp and paper is well in the lead as the most important manufacturing activity in the province. The output of this industry increased substantially in the past year, both in respect to volume and dollar value of sales. This was due primarily to the development of products other than newsprint. The latter maintained its position last year, but the gain for the industry as a whole was recorded as a result of expansion in the production of pulp and other types of paper products.

Non-ferrous mining and smelting has rapidly come to the fore in recent years. It now ranks second as the most important Quebec industry. This branch of manufacturing recorded a further sharp expansion in operations last year and it is possible return for 1941 will show this industry within striking distance, if not topping, pulp and paper.

Textiles Rank Third

Cotton yarns and cloth rank as the third most important Quebec industry. Actually the textile industries collectively represent the leading manufacturing activity in the province.

Tobacco ranks fourth on the list among the major industries, followed by the women's factory clothing, men's factory clothing, and meat packing. Petroleum products, butter and cheese, and railway rolling stock go to make up the balance of the 10 leading industries.

It should be noted central electric stations are no longer included in the returns of the manufacturing industry. In other years, power ranked among the leaders, and in respect to value of "production" continues to be one of the three most important revenue-producers in the province.

Nearly one half of Quebec's manufacturing activities are centred in Montreal; the proportion is even greater if the Greater Montreal area is taken into consideration. There are, however, at least a dozen other major industrial centres.

Through the services of the power companies, many large-sized industries have been established in various communities within easy transmission distance of power plants, or where labor or other conditions are especially favorable.

This is more clearly shown in the following list of Quebec cities and towns having an annual industrial output of more than $1 mililon. The figure covers 56 communities and refers to 1940 operations. It might be mentioned that the year before, only 50 towns were able to report an industrial output for the year in excess of $1 million.

	No. of Plants	No. of Wkrs.	Gross Val. of Output *
Montreal	2,501	105,315	483.2
Montreal East	10	1,887	63.[illegible]
Quebec	298	10,199	34.7
Trois-Rivieres	50	5,415	27.5
Sherbrooke	73	5,420	16.4
La Salle	11	1,314	14.6
Drummondville	26	4,329	14.6
Shawinigan Falls	26	3,012	14.4
Lachine	32	2,788	13.6
Hull	47	2,497	12.9
St. Hyacinthe	56	4,201	12.3
Granby	32	3,296	11.9
Magog	15	1,783	10.5
Valleyfield	28	3,081	9.6
St. Jean	39	2,730	8.6
St. Jerome	30	2,157	7.8
Outremont	13	787	7.2
Grand'Mere	17	1,583	6.6
Beloeil	11	513	5.5
Kenogami	3	896	5.5
La Tuque	15	809	5.4
Westmount	10	1,058	4.4
St. Pierre	9	954	4.1
Victoriaville	27	1,415	3.9
St. Laurent	14	1,034	3.6
Buckingham	10	535	3.6
Windsor	10	707	3.5
Louiseville	12	828	3.1
Brownsburg	5	641	3.0
Cowansville	14	1,007	2.9
Joliette	39	967	2.8
Lachute	9	701	2.8
East Angus	7	543	2.7
Longueuil	11	1,122	2.6
Dolbeau	4	302	2.5
Beauharnois	11	539	2.3
Montmagny	22	835	2.1
Coaticook	16	728	2.1
Farnham	12	550	1.8
Plessisville	14	565	1.9
Verdun	27	391	1.7
Acton Vale	8	567	1.7
Cap de la Madel'e	16	386	1.6
Jonquiere	12	283	1.4
St. Remi	9	176	1.2
Berthier	7	303	1.2
Rock Island	13	464	1.2
Chandler	5	272	1.2
Rimouski	13	428	1.1
Notre Dame de Portneuf	8	124	1.1
Lauzon	4	289	1.1
Marieville	15	431	1.1
Ste. Therese	17	351	1.0
Waterloo	13	426	1.0
Sorel	18	360	1.0
Terrebonne	12	348	1.0

*Millions of dollars.

Six Main Areas

Industrialization of Quebec has been largely confined to about six principal areas. In the west is the Ottawa Valley centring around Hull. Here are large power developments, paper plants, lumber mills and other industrial establishments.

A short distance to the east is Montreal, one of the principal manufacturing centres of the Dominion and headquarters for the two transcontinental railways. This, combined with the fact that Montreal is the leading seaport in the country, has been instrumental in the establishment of a number of industries doing a national and international business.

Farther east and to the south are the Eastern Townships sometimes referred to as the New England of Canada. Development of this section has been an outstanding chapter in the industrial history not only of Quebec but of the Dominion. In this section will be found the centre of Canadian silk and asbestos industries, with pulp and paper plants, lumbering mills, textile mills and a host of other specialized industries well represented.

On the north shore of the St. Lawrence, the territory around Three Rivers, Shawinigan Falls and Cap de la Madeleine, is another section of major industrial importance. The pulp and paper industry is located here in full force. There are many other manufacturers.

The fifth industrial area of the province radiates from Quebec City — an important port and distribution centre. The boot and shoe trade is largely centred here, while other industries represented in the area are pulp and paper, tobacco and textiles.

The newest manufacturing district is that of the Lake St. John-Saguenay region. This is the home of the great pulp and paper and lumbering enterprise of Price Bros. and Co., and other important manufacturers. Since 1920 this section has attracted tens of millions of dollars of new capital in the form of such major manufacturing projects as Lake St. John Power & Paper Co., Consolidated Paper Corp., Saguenay Power Co., Aluminum Power Co., and the vast Aluminum Co. of Canada development at Arvida.

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THE latest figure (February 1, 1942) on Dominion Textile production of cotton yarns and fabrics for war purposes since the start of hostilities is 68,500,000 pounds.

One reason this enormous output has been attained is that, although the number of production units has not increased materially since the First Great War, modernized machinery and improved technique enable the mills to turn out now in four days as much as they did in a fortnight during the other war.

DOMINION TEXTILE
COMPANY LIMITED

Public Welfare

Quebec Meets Social Obligations

Recent Legislation Designed to Meet New Conditions

Before large scale industrialization of the province the social service needs of the people of Quebec were relatively simple. Family and parish governed the life of the community and the family was a self-sufficient unit.

This concept of the responsibility for charitable work survived until conditions of widespread distress from 1931 to 1935 made it impossible for the existing structure to carry the burden.

Comparison of Quebec methods with those in vogue in other provinces is likely to prove misleading. A greater degree of centralization has taken place elsewhere. But that does not necessarily mean the result has been less satisfactory in Quebec.

There still exists a considerable difference between the administration of social services in Quebec with the rest of the Dominion. Education, hospitals, institutions for the insane, orphanages and reform and industrial schools are still largely supported by religious orders and private interests.

Meet Special Needs

Social services in the Province of Quebec have been moulded by the unique characteristics of the Province's social structure. They are gradually developing with the requirements of a new era of social responsibility.

In other provinces, government has been largely responsible for the welfare services, but in Quebec administration is split between provincial and municipal governments, and as between the government and private organizations.

From the start of Quebec history, the religious orders have carried the burden of social services and still continue to do so to a large extent. It is estimated that the annual cost of religious institutions of this burden is not less than $10 millions.

Social service facilities on the present scale are a development of the past twenty years. Because of the relative newness of the responsibility and the number of bodies engaged in welfare work, an irregular pattern of administration has been erected.

The social services of Quebec are in a sense, centralized, through the provincial bureau of public charities which was established in 1921.

Under this Board, it is lawful for local or county municipalities to establish and maintain hospitals, homes, foundling institutions, sanatoria, refuges, etc., for the purpose of helping the poor domiciled within their limits.

Board Gives Help

Assistance may be given to either municipal or private institutions engaged in welfare work. The Board may also recommend that the government guarantee payment of annual interest on loans contracted by institutions for welfare purposes.

In the case of hospitalization of indigent patients, the province pays one-third of the cost, municipality where the patient is domiciled another one-third and the charitable institution assumes the remaining cost. This distribution of cost is in contrast to that used in other provinces, where the burden is shared by provincial and municipal governments.

Sources of Revenue

The Bureau of Public Charities obtains its revenue from taxes, licenses and fees. There is a 5% hospital tax levied on meals at 35 cents or over, served in hotels and restaurants. The Quebec Liquor Commission makes an annual grant of $1 million profit. Revenue is derived from the tax placed on liquor purchases.

In addition, of the 10% tax collected by municipalities on places of amusement one-half is given to the municipal charities fund and the other half to the public charities fund. The costs of collection are incumbent upon the municipality.

The fund is further supported by revenues from entry duties at race meetings, registration fees for apparatus employed in making bets on race courses and tax imposed on bets and wages.

The revenues thus received by the Government run around $4.5 millions annually.

Special Grants

This is considerably less than the amount distributed by the government. In 1939-40, for example, the amount distributed was $8.1 millions, as against $8.4 millions the year before.

The social service requirements since 1930 have far outstripped the ability of private institutions to provide them.

By June, 1940, the province had funded $54.7 millions of expenditures on relief work; $1.4 millions on advances to medical institutions; $16.9 millions of grants to hospitals and charitable institutions; and $67.3 millions of direct relief expenditures.

While the government contributes several million dollars a year to charitable organizations, and the municipalities, in turn, also make a substantial contribution, the sum paid up by these two agencies, does not represent the total cost of social services.

Quebec is unique in its private charities. It is a fact that the amount of money subscribed for charitable purposes by individuals in Quebec is far greater than in any other province of the Dominion and, for that matter, the American continent. In the Montreal area, there are a number of hospitals supported by private donations. In addition, there are various social agencies, refuges, convalescent homes, etc.

Under the aegis of the Federated Charities, French-Canadian and Jewish charitable organizations, the private citizens of Montreal subscribe over $1 million a year for their operations. To this figure, of course, should be added the private donations made to hospitals and other institutions, which, in some instances, have been privately supported for generations.

Legislation to Help

In addition to the Public Charities Act there has been a broad list of legislation written to cover the needs of welfare services.

The province has vigorously tackled the problem of checking tuberculosis.

Quebec instituted an old age pension scheme in 1936. Maximum pension is $220 annually and 75% of the pension is paid by the Dominion government under the Dominion scheme, started in 1927. To date the pensions paid out total over $35 millions.

The province also set up machinery to care for needy mothers. Allowance to mothers with two children under sixteen years of age is $20 a month and a further $5 is granted for each additional child:

The manner in which the charitable organizations in the Montreal area are co-ordinated, is worthy of comment.

The Montreal Council of Social Agencies is a co-ordinating body, administering all welfare matters relating to the Protestant population. It is comprised of self-supporting organizations and others receiving aid from the community chest of the Federated Charities.

The Federation of Jewish Philanthropies looks after the Jewish population, collecting funds by public appeal. Unlike Federated Charities, the Jewish body administers its own relief.

Look After Own

French Canadians account for nearly three-quarters of Montreal's population. In addition to the Church, Federation des Oeuvres de Charite Canadienne-Francaises looks after the charity needs of this section of the population.

In the Federation are 22 agencies.

All Catholic organizations in Montreal are centralized and co-ordinated.

In other cities and towns of the province this co-ordination is lacking. Outside of Quebec City, and Montreal, the principal charitable organization is the St. Vincent de Paul. Organized in 1826, it operates in all Catholic centres.

Have Social Plans

Supplementary to social services, the Quebec government has set up the Workmen's Compensation Board which functions in a similar manner to other provincial boards. It gives compensation to injured industrial victims.

A large majority of Quebec wage earners, equal to about 87% of the total, remain unorganized and depend upon legislation for protection.

The organized elements of labor are divided into the following categories:

(1) International trade unions;
(2) Catholic trade unions, and
(3) Catholic union of farmers.

The first two units are of about equal membership. Total of all workers organized is about 12.5% of those eligible for membership in the Union. The Catholic Union of Farmers, with about 15,000 members, represents only a small fraction of those employed in agriculture.

Collective Pacts

Of growing importance are the collective labor agreements which are sponsored by the government. These agreements are entered into between the employee and the employer and govern hours of work, working conditions, wages, etc.

Then, too, there is the Fair Wage Law which applies to all other wage earners with the exception of laborers and domestic servants.

Catholic labor unions are peculiar to the labor movement in Quebec.

Relief Cost Heavy

During the depression years, direct relief and aid through public works constituted a very heavy burden.

The costliest period in the province's history was from 1930 to 1937. From that time all expenditures of the Dominion, provincial and municipal governments totalled $143 millions, distributed as follows: Province, $57.6 millions; Dominion $47.6 millions; and municipalities $39.1 millions.

The burden on municipalities in Quebec was greater than upon local governments in other provinces. Comparing the Dominion's two largest cities: Montreal's share of unemployment relief varied from 48 to 50% of the total, while Toronto's share was between 35 and 39.5% of the cost.

The whole situation in respect to social services and unemployment relief has undergone a marked change since the outbreak of war. With all of the unemployed employables back at work and with earning power of the individual and the family considerably greater now than it has been for many, many years past, the whole burden of social services has been considerably lightened. This condition is of a temporary nature, but it has been an important factor in enabling the province to put its finances on a sound basis.

One out of every four people in Canada are French-Canadians.

Quebec Plants Fuel Bill High

Quebec's manufacturing industries had a fuel and electricity bill in 1939 of $38.5 millions, of which the cost of electricity was $23.4 millions and fuel $15.1 millions.

A breakdown of the items going to make up this bill, by value, follows:

	$
Bituminous Coal	8,103,362
Anthracite Coal	604,922
Coke	340,315
Gasoline	336,953
Fuel Oil	2,987,101
Wood	604,039
Gas	1,890,513
Other Fuel	259,737
Electricity	23,422,325
Total	38,549,267

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(1) regular services to and from military camps;

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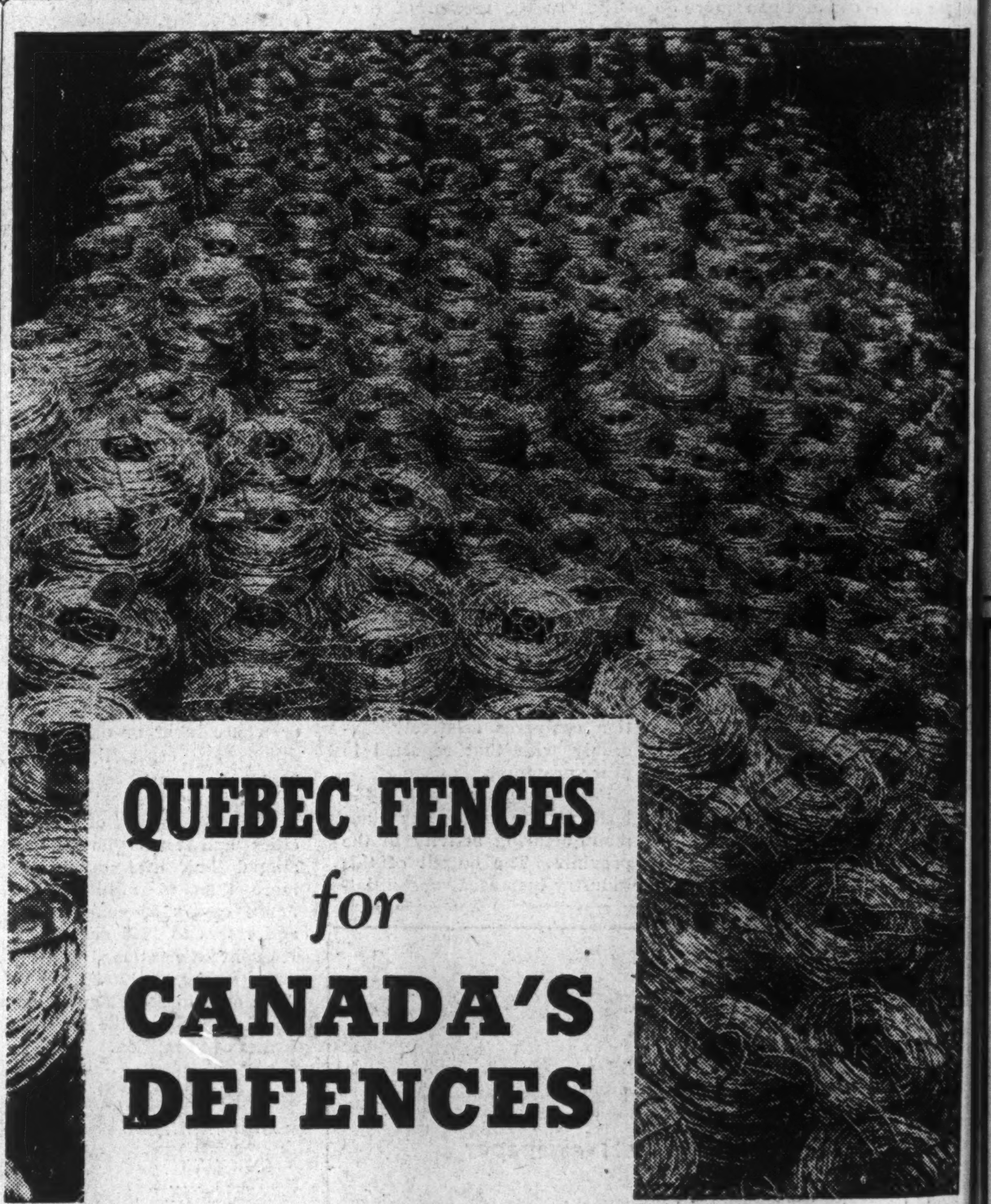

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But for Hitler, this barbed wire fabricated in Quebec, might go to keep the cattle home on some quiet Canadian Farm. Now it must go to keep the Nazis and Japs out — to form entanglement, guarding us across African deserts or Asiatic jungles. It must guard not cattle but men — our men — standing between them and death crawling through the night.

Dosco's durable, barbed wire and fencing, fabricated in the Province of Quebec, guard our munition plants against the possibility of sabotage and protect our vital chain of airfields across the country.

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Quebec Establishes Finances on Sounder Ground

Effort to Put House in Order and to Help War Effort Begins to Show Results

Major changes are expected to occur in Quebec's provincial finances during the current year. The policy of rigid economy and consolidation of debt, combined with substantial expansion in revenue largely due to the war, has placed the province in a position which enables it to report a surplus on ordinary accounts and to reduce the overall deficit to a fraction of what it was in pre-war years.

The changes in relation to the province's finances are expected to come from the encroachment of the Dominion government into the field of provincial finance.

Over the past two years the financial policy of the Quebec government has been motivated by a desire to contribute the maximum effort to the war cause and to put its own house in order.

At the Dominion-provincial conference held in Ottawa a year ago last month, it was hoped the Sirois recommendations would be implemented. Had this been done, Quebec's finances would have been markedly improved.

Since then negotiations have been carried on between the Dominion and provincial governments, with the result that a new plan is now about to be launched which will give the Dominion government exclusive jurisdiction over income and corporation taxes and succession duties. The Quebec government has already intimated its acceptance in principle of the new proposal.

Federal Compensation

In return for allowing the Dominion government to invade the provincial income tax corporation tax and succession duties fields, the Dominion government will compensate Quebec by rendering payment of $22 millions based on the 12 months immediately prior to June 30, 1941.

Actual official Quebec government figures for 1941-42 in regard to these tax revenues total $28.6 millions, broken down as follows:

Succession duties, $12 millions; taxes on corporation capital, $7.2 millions; taxes on corporation profits, $6.7 millions and income tax $2.7 millions.

It is also anticipated Ottawa will pay Quebec's losses resulting in whole or part from restriction on the purchase of motor vehicles and by gas rationing. On the basis of estimated revenue for 1941-42, proceeds from the gasoline tax amount to about $7.5 millions yearly and those from the motor vehicle law about $7 millions. There is no indication, as yet, that these figures would be the basis for the subsidies to be paid Quebec by Ottawa.

The Dominion government already pays a subsidy to Quebec of $2,464,500 based on population and as stipulated under provision of the British North America Act.

If the present programme is carried out in its entirety, then it is possible that the subsidy or compensation paid by the Dominion to Quebec will approximate a figure somewhere in the neighborhood of $30 millions annually.

The stabilizing influence of this payment upon Quebec's finances cannot be overestimated.

Hard Hit in 1932-36

During the depression years, Quebec's provincial finances got into a "snarl." Large expenditures on unemployment relief, public works, etc., created a huge floating debt. Moreover the books of the province were in such a confused state that it was virtually impossible to determine the exact status of the province's financial affairs.

First steps in the programme of financial rehabilitation carried out by the Godbout government was the removal of the aura of mystery with which the province's finances had been enshrouded. To reveal their true position, there was a complete revision of public accounts and abandonment of former methods that obscured the dangerous drift.

Direct and indirect debt of the province at June 30, 1936, totalled $209.9 millions.

When the present government took over at the end of 1939, the debt had reached $420.3 millions, an average increase of $70 millions annually.

Try New System

In making the new presentation of facts, the government called for a complete overhaul of the present system.

Former governments followed the practice of showing a surplus on what they termed ordinary account but charged unemployment relief costs, certain colonization expenses, etc., to extraordinary and capital accounts. Results of this allocation of expenses gave an inaccurate impression of the real financial operations of the province.

Reverting to Quebec's traditionally sound financial policy, the government brought down a pay-as-you-go policy in May, 1940, calling for economy and a still further increase in taxes.

The results of this policy are now apparent in the government accounts. Because of the change in the government's fiscal year, June 30 to March 31, it is only possible to give the revenue and expenditure statement for the nine months ended March 31, 1941.

Current revenue for this period totalled $55,968,000 or almost exactly the same as in the preceding 12 months. The figures include three new sources of revenue: sales tax, $6.5 millions; tobacco tax, $1.5 millions and income tax, $2.4 millions. Revenue from other taxation showed a substantial increase in most cases, largely reflecting the vastly improved economic conditions within the province brought about by wartime conditions.

This improvement in economic conditions is reflected throughout the expenditures of the government. Ordinary expenditure on roads showed a decline, while the unemployment relief was cut by more than half. In relation to capital expenditures, the outlay on roads showed little change but there was a limitation in the amount spent on public buildings and a sharp contraction in capital outlay on unemployment relief funds.

The result of financial operations for the nine months ended March 31, 1941, was to show a surplus of $3.5 millions on ordinary accounts and an overall deficit on the year's operations of $15.9 millions. The latter contrasted with $52.5 millions in the June 30, 1940 fiscal year and with $49.3 millions in the year before that.

Income and Outgo

Public accounts for the province, as revised, follow:

Revenue and Expenditures

	9 Mos. to Mar. 31 1941	Year Ended June 30 1940	1939
	in $000's		
Revenue:			
Taxes	40,963	40,636	42,748
Natural resources	6,790	6,297	10,034
Federal subsidy	2,464	2,464	2,464
Liquor Control Board	3,564	4,412	3,686
Interest*	1,192	434	629
Fees and fines	808	865	942
Sundry items	187	541	333
Ordinary revenue	55,968	55,649	60,836
Expenditure:	13,172	14,216	11,418
Debt charges	6,553	8,760	8,250
Education	4,707	6,483	6,764
Agriculture	3,672	4,100	5,166
Attorney-General	2,800	4,074	3,973
Executive council	741	788	615
Labor	4,024	6,003	4,435
Civil service	3,063	3,792	3,580
Colonization	1,762	2,864	3,369
Lands and forests	1,796	2,567	2.456
Mines	929	1,180	1,330
Public works	1,245	1,768	2,199
Legislation	1,330	1,791	1,685
Doubtful accounts	934	1,824	708
Unemployment relief	3,189	10,475	4,930
Charities fund def.	2,303	2,726	2,262
Colonization	....	345	11
Youth aid	235	364	250
Miscellaneous	....	....	....
Total	52,455	74,120	63,379
Capital Expenditures			
Hydro plant	2,034	4,301	1,158
Roads	16,367	20,265	18,733
Colonization	....	288	628
Bridges	369	558	920
Public buildings	437	825	1,076
Youth aid	....	....	39
Relief works	250	7,341	24,175
Miscellaneous	....	496	....
	19,457	34,074	46,729
Balance of Accounts			
Ordinary deficit	‡3,513	18,471	2,543
Capital expenditure	19,457	34,074	46,729
Over-all deficit	15,944	52,545	49,272

*Sinking fund earnings not included in 1940 and 1939.

‡Surplus.

Following is a tabulation of the debt position of the province as at Aug. 31, 1941, with comparative figures for March 31, 1941, and June 30, 1940.

Debt Position
(Thousands of dollars)

	Aug. 31/41 Prelim.	Mar. 31/41 Tentative	June 30 1940
Funded debt	383,571	382,446	368,846
Less: Sinking fund	34,482	33,142	29,041
Net funded debt	349,089	349,304	339,805
Net special issue	11,739	11,739	12,015
Floating debt	18,628	28,783	26,293
Deferred liabilities	15,743	16,172	16,926
Contingent liabilities	20,221	19,831	13,715
	415,420	426,459	408,754

The largest portion of Quebec debt was incurred in 1930 when effects of the world wide business depression were felt. The burden of unemployment relief borne by both provincial and municipal governments was largely capitalized. The most difficult problems were concentrated in Montreal area, where 40% of the population of the province is centred.

In the eight-year period from 1930, the debt of Montreal rose from $252 millions to $345 millions, largely because of the necessity of providing relief.

Total relief capitalized by the province during the same period was almost equal to the total outstanding debt of the province in 1930.

The Quebec municipalities were called upon to share a greater burden of unemployment relief than municipalities in other provinces. Municipal share in Quebec was 28%, compared with 15% for the rest of Canada.

Relief Outlay Heavy

Over 70% of relief expenditures in the province was direct. Large expenditures, however, were made on public works. Supplementing the aid given by the province and municipalities, the Church sustained an important part of the burden.

The province undertook a number of schemes designed to provide employment. During the 1930 to 1937 period the province spent $26 millions in colonization, etc., $54 millions for highway construction, $14 millions on loans to farmers.

The net effect of these extraordinary expenditures was to triple the province's debt and convert the municipal-provincial debt from one of the lowest to the highest in Canada.

Quebec public domain and development expenditures are much higher than average. This is considered natural in a province possessing extensive natural resources and regional economic problems.

The only major departures in revenue system from the average Canadian pattern are the use of income and sales taxes by municipal governments and the larger proportion of joint provincial-municipal revenues raised by the municipalities

The Sirois survey saw reserves of taxation which had not been touched and suggested a broadening of the joint provincial-municipal tax basis to provide for the new level of expenditure and debt created in the last few years.

The government implemented this suggestion. It imposed an income tax on 1939 income, broadened the basis for existing taxes and imposed new taxation.

Problems to Face

The Sirois report found that per capita income in Quebec was somewhat lower than average. In the province there is a small group of very high incomes and a large group of very low incomes. While the province had never levied progressive taxation before 1939, Montreal has levied a personal income tax for a number of years. Succession duties in recent years have yielded a figure at about national average.

The fact the province did not undertake progressive taxation may be largely attributed to the fact that its finances were formerly in an exceptionally strong position.

Liquor control profits and public domain revenue were high and it was not necessary to levy other taxation on the same scales as in other provinces.

Revenue from these two sources, however, fell drastically in the depression years. Liquor profits fell from a high of $12.3 millions to a low of $2.4 millions annually. Public domain dropped down $7.4 millions yearly to $2.9 millions.

When the province attempted to increase revenue it found that the taxpayers' pockets were also being called upon to produce funds for the hard pressed municipalities.

The overhead costs of the Church in arranging welfare services were provided from the same source. As a result of this triple demand the burden upon the taxpayer was far more than is evident from the public financial statements.

The burden fell particularly on real estate. The large exemption from taxation of religious institutions also increased the weight.

Municipalities turned to income and sales taxes, and licenses and fees of many kinds which were in reality corporation taxes. This feature of the municipal taxation activities caused overlapping and confusion.

Much has been done in the last couple of years to straighten away this confusion. Much still remains to be done but at least progress is being made in the direction of putting provincial and municipal finances on a sound basis.

Progress Being Made

If the present proposal of the Dominion government to compensate the provinces for the invasion of their tax fields materializes, then the province's whole financial situation will have to be re-surveyed in the light of new conditions.

Quebec already has intimated that it is willing to co-operate to the fullest with the Dominion in arranging a solution of the problem of war financing.

In any event, the progress already made in straightening away Quebec's finances has reached a point where the government is able to say "no new taxes for 1942-43."

Scientific Farming

Scientific methods of farming account for 24 institutions in the Province of Quebec. Apart from the intermediate and superior schools of agriculture, there are regional schools and orphanages where farming is taught.

A
Moco
FABRIC
REGISTERED

Quebec Clothes an Army in
Moco
KHAKI DRILL and KHAKI SHIRTINGS

Outstanding among Quebec's achievements in the war is the manner in which the cotton textile industry has girded itself to the task in hand with the result that to date, in the Moco Mills alone, over 11,000,000 yards of cotton drill have been turned out for uniforms and khaki shirting. In addition to camouflage cloth and various other vital war materials these mills are producing aeroplane fabrics for Canada's aircraft industry.

THE MONTREAL COTTONS LIMITED
Valleyfield Quebec

WARS ARE WON
IN FACTORIES

As event follows event in the bitter struggle now in progress, it becomes increasingly evident that in the long run production will be one of the principal decisive factors. Battles cannot be won without adequate equipment, and it is in the factories as much as on the battle fields that the issue between freedom and slavery is being decided.

Electric power, gas and transportation are all directly or indirectly essential to the operation of factories or to the men and women who work in them.

For more than half a century these three services have been supplied in the ancient City of Quebec and in the surrounding territory by this company, its subsidiary and associated enterprises, and, to-day they are a vital strand in the rope which will throttle the Nazi tyranny.

BUY
WAR SAVINGS
CERTIFICATES
AND HASTEN
VICTORY

QUEBEC POWER COMPANY
Power Building, Quebec

How It's Done

Quebec Market Has Its Own Special Characteristics

Close Study of Market Necessary to Ensure Successful National Distribution

It pays to do business in Quebec, the way Quebec people like it.

About one third of the Dominion's population live within its boundaries. Collectively they have a buying power which is greater than that of any other economic section, except the Province of Ontario.

Obviously it is impossible to secure national distribution of any product without close cultivation of the Quebec market. In turn consideration of the Quebec market means a close study of the tastes, habits, buying power of more than three million Canadians.

Study Racial Origin

The primary consideration in analyzing the Quebec market is study of the racial origin of the people. While manufacturers and distributors are well aware that French-speaking Canadians outnumber other racial types, they sometimes fail to realize the basic qualities of this group, as well as the primary requisites necessary for successful marketing in the area.

In considering French-Canadian buying power, certain principles must be kept in mind. A typical French-Canadian speaks, reads and thinks French, attends services in French churches, goes to French schools and universities, amuses himself at French clubs, patronizes French hospitals, speaks French in clubs and elsewhere.

Appeal in French

The Quebec market cannot be developed properly without a sales appeal made in French and catering to characteristics peculiar to the French-speaking Canadian.

The French-Canadian is thrifty in the best sense of the word. If he sees what he needs and is convinced that the article in question measures up to his requirements, he will usually buy it. But he has to be convinced.

Though it is dangerous to make a broad statement in connection with any individual market, it is safe to say there are certain merchandising problems which are not applicable to French-speaking Quebec folk. On the other hand t[illegible]s are not as great as many have been led to believe.

Face the Facts

Just because Sandy McPherson, a Scot by repute, is symbolized by a kilt and a bowl of porridge, it doesn't mean the manufacturer can't sell Scotsmen trousers and cold cereal foods.

Because Pat O'Leary's favorite dish is corned beef and cabbage and he is symbolized by a bald-headed bricklayer who likes to smoke a broken stem clay pipe, doesn't mean that Irishmen can't be sold imported French goods or pure Havana cigars.

And just because Quebec is symbolized by a little man called Batiste — a little man whose head is covered by a "tuque bleue," his feet clad with "des souliers de boeufs" and his body with a "bougrine" held at the waist by colorful "ceinture fleche," it doesn't mean the national distributor cannot sell Quebecers the latest style felt hats, boots and shoes, overcoats and fancy scarves.

Question of Clergy

Many misunderstandings exist in the mind of the English-speaking manufacturer and distributor in respect to the Quebec market.

"It is true," says one authority on the French-Canadian market, "that the Quebec people are religious. There was a time following our abandonment by France to Britain when the church was our only haven of refuge from forces which sought to split the French asunder and to lose them in an ethnic background with which we would have no sympathy. Naturally then, we turned to the clergy to save us. And the clergy did. To them, we owe our solidarity, the preservation of our racial characteristics, the perpetuation of our language. But to suggest, because the clergy has been the rallying force for the continuance of those things we French Canadians hold dear, that the clergy 'dominates' our existence is as false as it is ridiculous."

This statement may be interpreted as defense for Quebec complexity or may appear as superfluous merchandising information. But the misunderstanding of the clerical factor has so often been the stumbling block for an otherwise well-planned campaign, that it is well some light be cast on a factor which has long been in a troublesome problem to outside manufacturers and often used as a scarecrow by their competitors.

Have Buying Power

Another fallacy is the oft-repeated statement that Quebec farmers are poor.

Such is not the case. The average annual expenditures per farmer in Quebec amount to over $612. Only Ontario and the Maritimes surpass this figure for farmer expenditures. The way in which the average farm family expends a proportion of its annual expenditures is very much the same as in other parts of Canada. The Quebec farm family, in comparison with other parts of the Dominion, spends more on clothing, shelter, furnishings, insurance, health care and education.

One fact which the manufacturer or distributor, considering the Quebec market, has to keep in mind, is that before undertaking a campaign in Quebec, it is well to consult those who know the life of the Quebecers. They may not be able to tell you why certain things should not be done or why certain things should be done, but their knowledge is based on a "feel" of the Quebec market and their guidance in the formulation of a campaign often is the determining factor in its success or failure.

Though it is dangerous to make a broad statement in connection with any individual market, it is safe to say there are certain merchandising policies which do not find favor with the French-thinking Quebecers.

In the first place the group appeal should be used sparingly. French-Canadians like to be different from one another. They are individualistic and want personal consideration.

The scare appeal and the innuendo appeal, so prominent in many national advertising campaigns, is rarely effective in Quebec. Again there is the high-pressure "do it now" appeal which finds scant sympathy. This type of approach tends to irritate rather than sell; possibly another indication of the individualistic attitude.

French Advertising

Does French advertising pay? The answer is that dozens of national firms do a very profitable business in Quebec. There are varying degrees of success, of course, but one must not put the blame upon tastes and habits of French Canadians for the lack of success of certain firms.

One of the great difficulties in French advertising has always been that of translation. There is considerable difference between the presentation of an argument in French and in English. French speakers appear to go in for eloquence and what is called gesticulating, while the French themselves seem more matter-of-fact and logical. The contrary happens in writing.

French-speaking Canadians are not more insensible to the appeal of advertising than are other people, but that appeal must reach their hearts through their minds. They hate extravagance and despise dullness of language. French advertising must be prepared with care if it is to achieve results. Literal translations of advertising copy, from English to French, are the product of the incompetent.

Some of the English advertising copy which has appeared in French in Quebec does not even make sense. Further, correct translation into French will not suffice as a rule.

Figures Mislead

Statistics are the foundation of any sales campaign and in studying the Quebec market they can lead astray or put the distributor on the road to building up an important market for his products.

Proper interpretation of the statistics available on Quebec is highly important. Many distributors have been misled by the appearance of limited purchasing power of the individual Quebecer. They fail to give these figures more than casual study and seldom consider the all-important matter of family life in Quebec.

Stress the Family

Statistics relative to Quebec should be calculated on a per family basis rather than on a per capita basis. On the latter basis, consideration is taken only of the number of individuals, be they old or young. Obviously with the high percentage of children in Quebec, statistics are thrown out of gear in making comparisons.

The number of children in Quebec is a definite factor to be considered in marketing calculations. The average size of Quebec families is 3.58 compared with the Dominion average of 2.99. On the difference between these two figures depends a host of other matters.

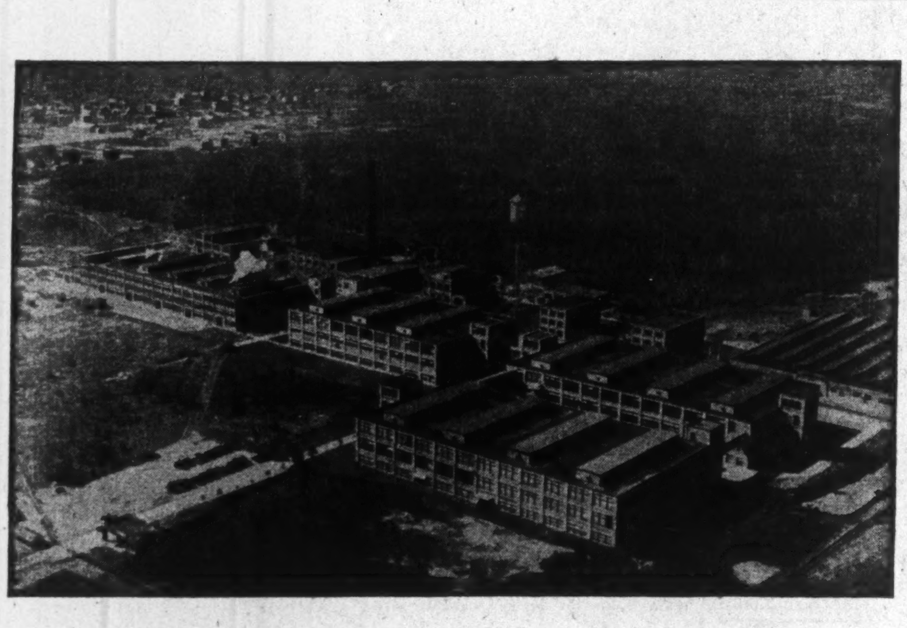
Family life in Quebec consequently must be considered in surveying the market. These large families tend to keep family ties strongly knitted, which in turn finds reflection in various buying characteristics in Quebecers.

Another factor which is of the utmost importance to the English manufacturer or distributor "breaking into" the Quebec market is in adequately backing up the agent or traveller. The travellers should be appealed to in French, so that they in turn can transmit to the retailers appeals that have been thought out and prepared for the Quebecers.

To do business profitably in Quebec, the way the Quebecers like it—the traveller calling on the trade should know enough about Quebec and its peculiarities to gain the confidence of the retailers they want to do business with. They should be supplied with display and advertising material that appeals to the Quebec dealer and his customers.

Quebec can be "sold" with a proper approach and sympathetic understanding. As one French-speaking authority on the Quebec market put it: "Her Majesty, our beloved Queen, has proven this beyond any doubt on the occasion of her visit in Qubeec. She accomplished more to win the hearts of her French-Canadian subjects than any diplomat or ambassador has ever done in the last decade. And, today, the present rallying force of Quebec for the defense of England, is the result of a patriotism sold by a Queen who knew how to do business with the Quebecers, the way Quebecers like it."

From a huge plant in Sorel flow 25-pounder guns and carriages, produced complete from scrap iron to finished weapon.



This Is the Home of Canadian Celanese

Thirty-one hundred of us make our living here — the wages we earn maintain our families — clothe us, give us pleasure and assure our futures. Scores of us have left to join the fighting services — hundreds are doing their part in countless less exciting ways.

Thirteen million dollars have gone into making our home — the fruit of the combined labour and skill of all of us.

In the Victory Loan we see an opportunity to help defend all this — our home, our livelihood and our way of living.

We join our fellow Canadians in
BUYING A SHARE IN VICTORY!

BUY THE NEW VICTORY BONDS

CANADIAN CELANESE LIMITED

MINING . . . — for VICTORY

Mining is the first step in the whole process of modern industry — and also the foundation and primordial condition of its survival and progress in our times.

In the stress of the present world-wide conflict the Quebec mining industry is justly proud of the recent rapid growth of its production of vital war metals and minerals: Copper, Gold, Titanium, Magnesium, Zinc, Molybdenum, Cement, Mica, Feldspar, Asbestos.

Other substances equally important are known to exist in this province. Tungsten — Manganese — Phosphate — Iron — to mention only a few — are being examined by our technical staff in view of their early development and production.

The Quebec Bureau of Mines invites and welcomes all inquiries concerning geological reports and mineral deposits. For the benefit of the prospectors and the mining industry at large the following services are maintained:—

Geological Exploration
Mineral Deposits Investigation
Inspection & Safety of Mines
Mine Assessment
Draughting & Map-Making
Mine-Training School
Mineral Statistics
Chemical & Mineralogical Laboratories
Mine Road Construction
Mine Villages & Town Planning
Publication of Reports & Library
Bulk-Sampling & Gold Recovery Plant

PROVINCE OF QUEBEC
DEPARTMENT OF MINES
AND MARITIME FISHERIES

HON. EDGAR ROCHETTE, K.C.
Minister

A. O. DUFRESNE
Deputy-Minister

Food Producer

Direct Farm Operations Meet War Needs

More Bacon, Cheese and Butter for Britain. Agriculture is Backbone of Quebec's Economy

With the war on a world-wide scale, the repercussions on the agriculture of belligerent nations has been deeply felt. This is true of Canada and especially Quebec, one of the important agricultural areas in the Dominion.

Food is an indispensable weapon in all warfare. Canada's war effort not only consists in furnishing man power and war materials but, above all, contributing certain foodstuffs essential to the well-being of those of our Allies who, because of war conditions, are unable to provide for their own food requirements.

In this war as it was 25 years ago, Canada has been called upon to meet the food needs of the United Kingdom. Then it was principally wheat; today it is bacon, cheese and condensed milk.

Readjust Economy

These are the chief farm products which Canada is called upon to supply Britain. In turn, the Dominion has had to increase her domestic supply of those farm products which, in peacetime, were imported from other countries.

In meeting Britain's food requirements and in providing for her own needs, Canada's agricultural economy has experienced a number of major changes which will probably be felt long after the war is over.

Shortly after war started, Britain requested millions of pounds of bacon. This request was renewed in the fall of 1940 for still greater quantities; moreover, Britain wished to purchase larger quantities of cheese.

Provide More Cheese

Strenuous efforts have been needed to meet these requirements and, in doing so, the Quebec farmer has even exceeded expectations.

In the important matter of cheese production, Quebec furnished 25.26% of all the cheese the Dominion disposed of in the period January to September, 1941.

In 1940 cheese production in Quebec totalled 34,988,760 pounds. These returns were topped in 1941, production having amounted to 36,769,053 pounds, a gain of 5.1%.

Not only has Quebec been successful in bringing about an increase in cheese production, but the province has also been successful in producing a superior quality.

Quebec now has a percentage of 95.56 in cheddar of first quality. This is only 1.34% lower than Ontario.

Premium for Quality

One factor bringing about this desirable condition is the premium of 2 cents a pound paid by the Quebec government on all first quality cheese manufactured in the province. The improvement in curing rooms also has helped, while organized competition between cheese and butter manufacturers during the last season contributed to bring about an improvement in quality.

Production of condensed milk is also a part of the Quebec farmers' war effort. During the past two years Quebec has acquired two evaporated and condensed milk factories, one in Sherbrooke and the other at St. Anne de la Perade. In this period they have produced 60 millions lbs. of condensed and evaporated milk.

From January to September, 1941, concentrated milk production for Quebec was 66.7% higher than for the same period in 1940.

The Quebec farmers' war effort has not been confined to the dairy industry. Hog raising has been improved to meet new requirements.

In 1940 the number of hogs shipped to market totalled 525,000, as against only 336,575 the year before. For the past year results were not quite so good, the slow-up in production being explained by the increased cost of feeds at the beginning of the year and the lowering of market prices for bacon.

Higher prices on export bacon as given out by Ottawa during the summer; the assumption of transportation costs on mill feeds by the Federal government and a new agreement between Canada and the United Kingdom at higher prices, are factors which should give new impetus to this industry and effect a considerable increase in production during the current year.

Farming is Vital

The economic position of the farmer is of vital importance to Quebec. Agriculture has always been and is the backbone of the province. Other activities have developed in this province and have become even greater sources of wealth, but the economy of the province rests upon agriculture and will undoubtedly continue to do so for many generations to come.

There are over 3 million people in Quebec and of this number about one-third are classified as "rural." This in itself indicates the tremendous importance of agriculture to the life of the province.

While love of the soil is deeply ingrained in the Quebecker, the trek from the farm to the city has been going on in Quebec as in other provinces. In the earlier years, the rapid industrialization of the province had a pronounced effect on the balance as between urban and rural population. During the depression years, the movement was of no particular consequence, but since the war started the large-scale manufacture of war material has again resulted in the draining of population from the rural to the urban areas.

In 1871 the rural population of Quebec amounted to 80% of the whole, 1931 it totalled only 37%. Since then the ratio has been maintained due in large part to the colonization efforts of the provincial government

$908 Millions Invested

Quebec has an investment of over $908 millions in its agricultural industry. Lands and buildings are worth nearly $710 millions; equipment $67 millions and livestock over $131 millions.

Extent of farm capital employed in Quebec during 1940, with comparative figures for 19[illegible] follows:

Value of Farm Capital (Thousands of Dollars)

	1940	1939
Land and buildings ..	$709,786	$709,786
Machinery, etc.	67,605	69,912
Livestock	131,355	121,515
Total	908,746	901,213

Because a large percentage of the population "live off" the land, agricultural operations in Quebec are probably more diversified than in any province in the Dominion. Mixed farming, always stressed as an important feature of sound agricultural development, has been followed intensively. The province has built up agriculturally minded communities

If anything, dairying may be said to be the most important division of agricultural operations in Quebec. However, farmers derive a considerable proportion of their income from other sources, such as field crops, fruit and vegetables, poultry and eggs, tobacco growing, maple products, fur farming, etc.

The base of farm operations in Quebec is represented by field crops. Last year field crops had a value of $89.5 millions. This was about $3.2 millions less than in the previous year but well up to the average prevailing in the past five years as will be seen from the following table:

Value of Field Crops

1940	$89,531,000
1939	92,740,000
1938	86,477,000
1937	81,629,000
1936	91,276,000

Hay and clover represent the most important field crop grown in Quebec. The value is far in excess of any other crop of like nature. Oats rank second, followed by potatoes, fodder, corn and turnips in the order named.

The extent of production of field crops in Quebec is set out in the table below covering the returns for 1941 and 1940.

Production of Field Crops

	1941	1940
	Thous. Bushels	
Wheat	539	522
Oats	47,516	44,290
Barley	3,708	3,888
Rye	148	103
Peas	436	318
Beans	224	153
Buckwheat	1,729	2,144
Mixed grains	4,841	4,502
	— Thous. Cwt. —	
Potatoes	10,353	13,125
Turnips, etc.	5,692	5,975
	— Thous. Tons —	
Hay and clover ..	3,555	5,223
Alfalfa	77	57
Fodder corn	564	552

Leads in Value

The dollar value of the various products going to make up field crops does not differ in importance from that set out in the table showing quantity production. Hay and clover is the leading crop from the point of view of value, oats second, followed by potatoes.

Value of Field Crops (Thousands of Dollars)

	1941	1940
Wheat	$ 512	$ 473
Oats	26,134	21,259
Barley	2,596	2,488
Rye	121	82
Peas	1,199	794
Beans	638	375
Buckwheat	1,262	1,436
Mixed grains	3,147	2,373
Potatoes	10,871	10,500
Turnips, etc.	3,131	2,455
Hay and clover ..	60,435	49,723
Alfalfa	1,425	641
Fodder corn	3,384	2,472

Quebec's share in dairy industry ranks second in importance only to that of Ontario.

Value of Quebec's dairy production last year, in all probability, exceeded $60 millions. This is a near record figure and well above the level prevailing in pre-war years.

In 1940, the last year for which complete returns are available, the province's dairy production was valued at $59.5 millions. This contrasted with $56.8 millions the year before.

The breakdown of returns, together with figures showing the trend of production of butter and cheese, is set out in the table below.

Quebec Dairy Production

	1940	1939
Butter and cheese:		
Farm made ..	$ 2,616,000	$ 2,454,000
Factory made.	22,627,500	22,072,857
Misc. products .	3,628,000	2,934,639
Fluid milk	28,497,000	27,141,000
Skim milk, etc. .	2,103,000	2,273,000
Total	59,471,500	56,875,496

Butter and Cheese Output (Output in Pounds

	Butter	Cheese
1940	85,057,200	34,067,300
1939	92,367,791	27,749,828
1938	92,803,453	28,794,124
1937	89,051,923	30,618,479
1936	88,586,024	25,630,881

Livestock Important

Cattle raising occupies an important place in Quebec farming. On many farms, cattle constitute the main asset.

Last year hog production in Quebec fell off for the reasons stated, but prospects this year are considered promising.

The importance of the dairy industry shows up clearly in the farm animal returns; those cows in the province accounting for nearly a quarter of all those in the Dominion.

The number of sheep, horses and poultry also provide amply evidence of the diversification of farm activity in the province.

The number of farm livestock in Quebec last year, with comparative figures for 1940 are set out below:

Farm Livestock in Quebec

	1941	1940
Horses	307,000	304,700
Cattle	1,775,000	1,794,900
Sheep	341,800	353,500
Lambs	324,200	314,700
Hogs	797,800	936,900
Hens	8,537,000	8,407,200
Turkeys	134,000	133,000
Geese	52,400	52,100
Ducks	48,900	67,500

Minor Branches Help

There are other minor branches of farm activity in Quebec, which, while not important as a source of revenue, nevertheless contribute appreciably to the welfare of the farm population.

Fruits and vegetables rank as one of the more important of the minor divisions, returning an annual revenue of $10 millions. The growing of apples, small fruits, melons and other items particularly adaptable to Quebec's growing conditions, is of importance in several sections of the province, more especially in the areas around Montreal and in the Eastern Townships.

Honey, seed, flax fibre, maple products and wool are other sources of farm revenue. While they have not been developed on as large a scale as in some of the other provinces, still they help to round out agricultural operations and in some sections of the province are major sources of income. For example, Quebec secures an annual revenue from the production of honey and wax of over $1 million. This income has been consistent throughout the years as is apparent from the following table of production:

Quebec Honey Production

	Output Lbs.	Value $
1940	9,500,000	855,000
1939	11,500,000	920,000
1938	16,300,000	1,141,000
1937	8,000,000	720,000
1936	12,675,000	1,014,000
1935	14,282,000	1,056,900
1934	14,960,000	1,256,600

Income from poultry is not an unimportant source of profit. In 1940, the last year for which complete returns are available, farm egg production in Quebec had a value of nearly $8.4 millions, as compared with $7.3 millions the year before.

Tobacco is another of the minor crops which provides Quebec farmers with a relatively substantial income. The value of this crop last year was in the neighborhood of $1.7 million.

Government Helps

Considerable effort has been made by the Quebec government to improve the lot of the farmer. In addition to agricultural schools, demonstration farms, etc., the province has undertaken, from time to time, special efforts to either increase production or quality of certain products for which a ready market exists.

The war has created a strong demand, for example, for flax. Along these lines the provincial government has helped to develop this phase of farming. From a start of 12,000 acres in 1940, the area grown to flax in 1941 exceeded 28,000 acres. Governmental assistance was provided principally by arranging loans for the purchase of equipment necessary for the harvesting and processing of flax.

Special assistance also was given to the establishment of apple processing plants. Other steps taken include the encouragement of the growing of green peas in Gaspé and dry haricot beans among gardeners.

Bee keeping was the object of a special enquiry on the part of the government in 1940. A complete survey was made of existing apiaries to serve as a basis for expansion and modernization in the branch of the agricultural industry.

Along these and other lines, the whole programme of the Quebec government has been directed toward greater diversification of farm operations. On the whole, this policy has been highly successful. Today Quebec is probably less dependent upon one crop than is the case in any other section of the Dominion.

Gasoline Sales 17% of Total

Quebec Purchases Have Moved Ahead Steadily to 150 Million Gallons

Quebec province constitutes the second most important market for the sale of gasoline in Canada. Annual sales now run around 150 million gallons, or nearly 17% of all sold in the Dominion.

There has been practically an uninterrupted increase in the sale of gasoline within the province. In the last 10 years, increases have been recorded in every year except 1933, when there was a minor drop not recorded in 1932.

Returns of sales are set out in the following tables.

Sales of Gasoline in Quebec

	Gallons
1941 (7 mos.)	87,192,000
1940	148,490,644
1939	138,925,246
1938	135,026,860
1937	128,394,645
1936	109,835,482
1935	102,177,506
1934	93,511,483
1933	87,077,418
1932	91,128,040

Farm Land Values Equal $44 an Acre

Value of occupied farm land in Quebec runs well above the average for the Dominion as a whole. In 1940 the average value was $44 an acre, or the same as in 1939. This contrasted with the Dominion average of $24 an acre in 1940 and $25 an acre in 1939.

The variation in farm land values by provinces for the two years follows:

Occupied Farm Lands Average Value Per Acre

	1940	1939
	$	$
P. E. I.	32	35
N. S.	28	33
N. B.	24	29
Que.	44	44
Ont.	46	46
Man.	16	17
Sask.	15	15
Alta.	16	16
B. C.	58	60
Total	24	25

Make More Cheese For Britain's Needs

Quebec produced 36,769,063 lb. of cheddar cheese in 1941. This contrasted with 34,988,760 lb. in 1940, an increase of 5.1%.

This is the second best showing made by any province in the Dominion with respect to quantity and the percentage gain was exceeded only by New Brunswick and Alberta, where the output is considerably smaller.

Serving Canada since before Confederation

1866 1942

BRITISH AMERICAN BANK NOTE COMPANY
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Raw Material Wealth

Forests Play Major Role in Wartime

Materials For Bombed Areas; Pulp for Explosives; Paper for Spitfires

For 125 years Quebec's forest resources have played an important part in Britain's battles.

At the time of the Napoleonic campaign, the Saguenay region supplied tall masts for the British Navy.

In the war against Hitler, Quebec forests again are doing their part.

This time it is lumber for the bombed out areas of England; pulp for explosives; and the proceeds in American dollars from the sale of pulp and paper products to finance purchase of war materials outside the country.

Products of the pulp and paper industry go into explosives, into every shell that leaves a gun, into depth charges, naval mines for the North Sea and land mines for Libya, into gaskets for Spitfires and tanks, radio equipment for the services and for London's spotters, containers for munitions and food, and wallboard for housing the armed forces and building war plants.

The extent to which forestry operations are carried on in Quebec has an important bearing not only upon the war effort, but upon the whole Canadian economic structure. For example, Quebec's pulp and paper exports contribute a very large share to Canada's favorable balance of trade. Moreover, when conditions are as good in Quebec's forest industries as they are now, Ontario manufacturers benefit by selling more goods to Quebec; the Maritimes sell more fish and the West sells more beef and grain products.

Position of Industry

The position which Quebec occupies in the forest industries of Canada can be briefly summarized as follows:

Quebec heads the list for both value and volume of output, and leads in quantity of production of pulpwood, firewood and fence rails.

It is the centre of the world's newsprint industry.

It produces more rayon pulp than any other province in Canada.

It is the only province in Canada manufacturing Cellophane.

It leads in the manufacture of kraft paper, as well as being a major producer of other and finer grades of paper.

It comes second on the list for quantity production of sawn logs, posts and wood for distillation and third for poles.

Woods operations are carried on in practically every section of the province, but principally in three well-defined areas which are also centres of pulp and paper manufacturing. In the north is the Lake St. John-Saguenay region; in the centre of the province the St. Maurice Valley; and to the west the Ottawa-Gatineau section. In between, moreover, there are a number of important lumbering districts, such as the Eastern Townships, the north shore of the lower St. Lawrence, the Gaspé Peninsula, etc.

These operations provide a livelihood for a large percentage of the population. It is estimated that at least 30,000 workers are directly engaged and the amount paid to them in salaries and wages each year exceeds $20 millions. These figures, of course, do not cover the large number of people who are indirectly dependent upon the forest industries for all or part of their living.

Source of Wealth

The richness and accessibility of Quebec's forest resources have been recognized from the time Jacques Cartier first set foot in Canada.

Exploitation of these resources began with settlement of the country. Sawmills sprang up on all parts of the province. Each year the cut of sawn lumber increased and the Quebec product found a widening market in the United Kingdom, the United States and elsewhere.

As far back as the days of the French regimé, Quebec's forests were held to be chiefly valuable as a source of timber for the construction and maintenance of the King's navy. For half a century after the English occupation, Britain retained the same attitude and practice. The needs of the Royal Navy governed forest policy and exploitation.

Napoleon in 1806, like Hitler today, was for a time successful in stopping the Baltic timber trade to Britain. The result was to expand Quebec's infant timber trade into the old-time great "square timber" industry. The need of the navy for masts, spars, dimension timber and plankings still remained for long the dominant factor. This need opened up the vast white pine forests in the Ottawa valley. The square timber trade reached its peak shortly after 1860.

Gradually this square timber era was succeeded by the long lumber era which in turn reached its maximum output in 1909, with a production of approximately five billion feet, board measure.

Throughout the 19th century lumbering was "big business" in Quebec. For years it constituted the principal source of economic activity within the the province.

Toward the end of the 19th century and the late '80's a new branch of the forest products industries was created—manufacture of pulp and paper. While paper was made from woodpulp at St. Andrews, P.Q., over a century ago, it was not until the Laurentide Mill was established at Grand'Mere that Canada's modern pulp and paper industry came into being. The conditions were ideal for this development! immense regions of standing timber, good water conditions, and, above all, huge supplies of low-cost hydro electric power.

Under these conditions, Quebec's pulp and paper manufacturers expanded rapidly and soon were far in the lead of other forest industries from the point of view of the dollar value of production and influence on the social and economic welfare of the province.

Vast Timber Area

Before detailing the extent of operations of Quebec's forest industries, it is worth while looking at the resources which have made them possible.

The timber area in Quebec amounts to just under 260,000 square miles; an area seven times as large as the British Isles.

By far the greater part of this timber area is owned by the Crown, less than 5% being privately owned.

The distribution of the timber area, according to the latest estimate, follows:

Quebec's Timber Area

	Sq. Miles
Private forests	21,100
Crown (federal)	264
Crown (colonization)	1,100
Forests leased	75,465
Township reserves	2,001
Domanial forests	2,920
Forests not leased	156,310
Total	259,160

These lands contained an estimated stand of accessible timber, amounting to 43,870 million cubic feet of coniferous and 10,306 million cubic feet of hardwoods, or an aggregate total of over 44,000 million cubic feet.

Two Main Branches

The forest industries of Quebec can be divided into two main sections, long lumber and pulp and paper. The latter is now by far the most important.

The Quebec province has 46 pulp and paper mills as compared with 103 in all Canada.

The capital required in this business is enormous, as evidenced by the fact that the investment in these mills, timber limits, etc. amounts to $338 millions.

The immensity of the pulp and paper development in Quebec may be judged by the fact that the province produces more than half of the pulpwood, woodpulp and paper produced in the Dominion and accounts for slightly over half of the total value.

During 1940, the last year for which complete returns are available, the 46 pulp and paper mills in Quebec had a gross output of $151 millions, as compared with $298 millions for the whole industry in Canada.

The principal statistics of pulp and paper manufacturing in Quebec during 1940 with comparative figures for the Dominion as a whole are set out in the following table:

Pulp and Paper Industry, 1940

	Quebec	Canada
No. of mills	46	103
Pulp	10	27
Pulp & paper	26	49
Paper	10	27
Capital $	338,424,650	642,979,942
Employees no.	17,387	34,719
Sal. & wages $	27,217,593	56,073,812
Fuel used $	6,154,791	13,700,105
Pwr. purch. $	11,510,000	17,345,301
Pwr. used, h.p.	1,059,681	1,986,667
Pulp made $	76,996,100	149,005,267
Paper made $	118,680,624	225,836,809
Gross output $	151,264,649	298,034,843

Lumbering Operations

Owing to diversity of operations, it is difficult to obtain comprehensive and detailed returns on the extent of lumbering operations.

According to the returns of 1939, Quebec had 1,796 lumber mills, as against 3,941 for all Canada. These plants employed $16 millions of capital and had a gross output during the year of over $17 millions. For all Canada, the capital employed was $85.6 millions and output $100 millions.

Features of the statistical returns on the lumber industry in Quebec, together with comparative figures for Canada as a whole, are set out below:

Lumber Industry, 1939

	Quebec	Canada
No. of mills	1,796	3,941
Capital $	16,036,417	85,628,394
Employees no.	7,681	32,399
Sals. & wages $	3,739,234	26,396,308
Fuel used $	119,335	518,261
Cost of matls. $	9,570,131	54,447,549
Gross output $	17,129,042	100,132,597

Some idea of the amount of timber cut in the province and the use to which it is put, may be obtained from the following tabulation. It will be noted that pulpwood is the leading product from the point of view of quantity, followed by lumber:

Use of Quebec Wood Cut
(Based on 1939 Returns)

	Cu. Ft.
Wood reserve of 1938	180,270,366
Pulpwood used	231,514,415
Pulpwood exported to:	
Ontario	21,920,711
New Brunswick	17,681,424
United States	18,882,930
Lumber, etc.	156,225,310
Logs exported to:	
Ontario	4,675,224
New Brunswick	533,479
United States	183,450
Wood carried over	91,552,612
Total	451,616,943
Firewood, etc.	268,094,250

At the time of the last census there were nearly 1,700 saw mills in operation in the province. Some 1,600 of these mills had an annual capacity of less than one million feet, but there were six reporting a capacity of 10 million feet or more.

Capacity of Quebec Sawmills

Annual Output in Feet	No. of Mills
20,000,000	3
15,000,000-20,000,000	1
10,000,000-15,000,000	2
5,000,000-10,000,000	8
1,000,000- 5,000,000	78
Under 1,000,000	1,600

The returns quoted, as already mentioned, have only to do with the two major branches of Quebec's forest industry. There are a number of subsidiary and minor activities which, collectively, are of considerable importance in value.

The wood-using industries, furniture, hardwood flooring, planing mills, etc., employ several thousand workers and in a normal year have an output valued in excess of $15 millions.

Mention also should be made of pulpwood operations. A small army of men are employed in cutting and preparing pulpwood to meet the needs of the province's great pulp and paper mills. In addition there is a large and active export trade in pulpwood. In all, it is estimated that over three million cords of pulpwood valued at around $30 millions were prepared in the province last year.

At this stage Quebec's forest industries are on an all-out basis. There is a demand not only in Canada, but in Britain and other parts of the Empire, as well as the United States and other democratic countries, for all the pulp that can be produced. The same condition applies to kraft and fine papers. Demand for newsprint has been maintained at a high level, while the surplus capacity of the newsprint mills is being used for the manufacture of various specialties made necessary by war conditions. In the fibre board field there is a demand greater than the productive capacity. Market requirements for long lumber have shown signs of easing off, but the demand is still of such proportions as to keep operations far above average.

Collectively the outlook for the Quebec forest industries is one of capacity or nearing capacity operations for the duration of the war.

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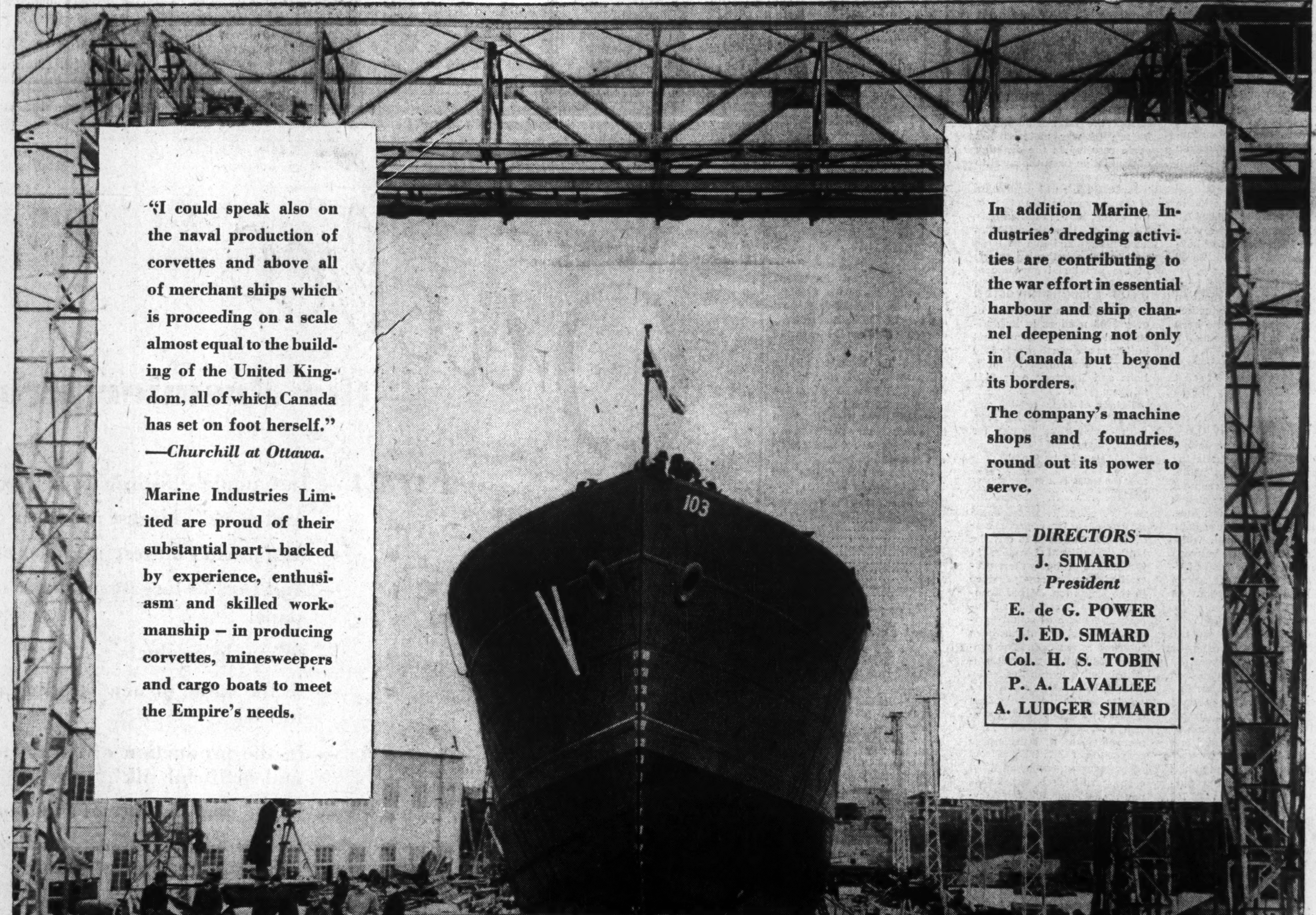

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